



 The Board of Trustees of Oregon State University

Retreat
 October 19, 2016
 Room 204, Tykeson Hall
 OSU-Cascades
 1500 SW Chandler Avenue
 Bend, Oregon

MINUTES

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

University Faculty and Staff Present: Ron Adams, Angela Batista, Sherm Bloomer, Susie Brubaker-Cole, Susan Capalbo, Steve Clark, Debbie Colbert, Jennifer Dennis, Becca Gose, Mike Green, Kate Halischak, Mark Huey, Dave King, Jock Mills, Susana Rivera-Mills, Cindy Sagers, Patti Snopkowski, Marcia Stuart and Lisa Templeton

Guests: Shawn Scoville, (*executive vice president, OSU Foundation*) and Steve Shields (*owner, Constructive Endeavors Consulting*)

1. Chair's Welcome

Board Chair Pat Reser welcomed trustees and staff to the retreat. She noted the accomplishments of the Board's first retreat in 2015 and that the topics for the day's retreat build on those conversations and on topics identified by trustees in the annual Board assessment.

2. Introductory Remarks

Retreat Facilitator Steve Shields presented an overview of the day's activities. He said that the goals for trustees for the day were to learn, to align on a common understanding of the issues and opportunities facing the university, to look for items or activities missing from those issues and opportunities, to integrate the challenges and clarify their likelihood and impact, and to inform themselves for future discussions on student tuition and the university's budget.

Interim Provost and Executive Vice President Ron Adams summarized the main topics for the retreat: improving student success; understanding OSU's cost structure, cost drivers and funding risks; and examining current and future revenue-generating and cost management opportunities. He advised retreat attendees to keep in mind that the most significant information that could *not* be factored with accuracy into the budget information staff had prepared was the state budget over the next several biennia. The chief cause for that "unknown" is the outcome of Measure 97 on the November 8, 2016, ballot. The measure regards the state imposing additional taxes on corporations with annual earnings over \$25 million. In light of this need to estimate budgets, Adams recommended that trustees focus their thinking on optional strategies to address the university's projected financial challenges in meeting its student success initiative goals by 2020.

3. Improving Student Success

Vice Provost for Student Affairs Susie Brubaker-Cole, Vice Provost for Undergraduate Studies and Dean Susana Rivera-Mills, and Vice Provost and Dean of the Graduate School Jennifer Dennis provided an overview of goals and metrics related to undergraduate and graduate student success. They summarized general student success strategies and strategies specific to Oregon State that would produce substantive and sustainable improvements in retention and graduation rates for all students. Their presentations served as the basis for the trustees' discussion, which was facilitated by Shields. Trustees' discussion centered on the definition and general challenge of student success, measures of student success, and how investments might be prioritized.

4. OSU's Cost Structure, Cost Drivers and Funding Risks

Interim Vice President for Finance and Administration and Chief Financial Officer Mike Green spoke about the university's cost structure and noted how the 10-year budget forecast, which was developed following the Board's 2015 retreat, would change in order to accommodate an accelerated timeline for achieving the Student Success Initiative goals. He also noted that, while there are significant state budget challenges anticipated, OSU having its own board provides access to additional financial "tools" to address these challenges, compared to when it was part of the Oregon University System. In addition, Green noted that in the division's review of potential cost-savings opportunities, there did not appear to be many "low-hanging fruit." Following this overview, Shields again facilitated trustees' discussion around efficiency, administrative expenses, enrollment growth, and tuition. Several trustees noted their appreciation for the transparency of the information provided to the Board.

5. Revenue-generating and Cost Management Opportunities

Adams introduced Special Assistant to the Provost for University Outreach and Engagement Dave King and Interim Associate Provost for the Division of Extended Campus Lisa Templeton who summarized the growth of eCampus and spoke about some of the other opportunities in various stages of implementation or development that may provide new revenue for the university as well as some of the challenges facing success. King described the recently formed innovation team that will be focused on developing two or three proposals aimed at future revenue growth. Following their presentation and trustee discussion, Oregon State University Foundation Executive Vice President Shawn Scoville provided an overview of the achievements accomplished during the Campaign for OSU and discussed the foundation's recently approved strategic plan and its planning for the next campaign.

6. Final Comments

At the end of the day, trustees shared highlights from the day's discussion that they would take with them to consider further. In addition, Shields noted that staff would come back to the Board at its January 2017 meeting with aligned 10-year operating and capital budget forecasts. As part of those forecasts, staff would provide the Board with several scenarios and timelines to fund and implement the Student Success Initiative within the general guidelines the Board proposed during the retreat discussion.

7. **Adjournment**

There being no further business, the retreat was adjourned at 5:00 p.m.

Respectfully submitted,

Mark C. Huey
Assistant Board Secretary