

**EXECUTIVE SESSION OF THE FULL BOARD** – Mt. Thielsen Room (12:30pm – 1:00pm)

The Board met in Executive Session per ORS 192.660(2)(f) and ORS 40.225 Rule 503 to consider information or records that are exempt by law from public inspection and to have confidential communication subject to attorney-client privilege.

## Board of Trustees MINUTES

### Trustees:

Lisa Graham, Chair	Jill Mason	Mike Starr
Jeremy Brown	Kelley Minty Morris	Paul Stewart
Jessica Gomez, Vice Chair	Nagi Naganathan, President	Fred Ziari
Kathleen Hill	Liam Perry	
Rose McClure	Grace Rusth	

### University Staff and Faculty Present:

Abdy Afjeh, Associate Provost of Research and Development  
Connie Atchley, Incoming CIO/ITS  
Lindsey Davis, Academic Specialist – Retention/Vice Chair Administrative Council  
Erin Foley, VP Student Affairs  
Brian Fox, VP Finance and Administration  
Dave Groff, Legal Counsel  
Doug Halvorsen, Graphic Designer  
Jack Kegg, Track and Field Coach  
Tom Keyser, Dean of ETM College  
Gary Kuleck, Provost/VP Academic Affairs  
Brittany Miles, AVP Government Relations (via phone)  
Adria Paschal, Senior Executive Assistant to the President  
Dan Peterson, Interim Associate Dean, College of HAS  
Stephanie Pope, AVP of Budget and Planning  
Mathew Sleep, Assistant Professor, Civil Engineering  
Terri Torres, Faculty Senate Chair, Professor, Mathematics (via phone)  
John VanDyke, Athletic Director  
Erika Veth, AVP Strategic Enrollment Management

### Others Present:

Lee Ayers-Preboski, HECC commissioner  
Samantha Henkell, Student  
Johnathan Nguyen, Portland Metro AASOIT President  
Junmin Yee, Klamath Falls ASOIT President

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

Chair Graham called the meeting to order at 1:27pm. Secretary called roll and a quorum was declared.

## 2. Reports

### 2.1 President's Report and Discussion

President Naganathan gave a PowerPoint presentation reviewing the status of the eleven short-term action plan goals, the kick-off and progress of the strategic planning steering committee, legislative efforts, staffing and academic updates, past and upcoming events, and athletic highlights.

### 2.2 ASOIT Report

ASOIT Presidents Yee and Nguyen gave an overview of the accomplishments of both groups. The Portland-Metro campus opened a small-scale student bookstore and a food pantry, established four new clubs, and addressed initiatives resulting from the Portland-Metro campus survey: funding set aside to assist students in acquiring professional attire, new wall art and design elements, upgraded study room tables to be ADA compliant, upgraded computer tables, an additional 'billboard' screen to promote the university and clubs, cleaning out the ASOIT office, and establishing tech support through Best Buy for students personal computing to reduce barriers to success. The Klamath Falls campus installed water bottle filling stations, held successful blood drives, extended dead-week library hours, held an awards banquet for all campus clubs, and hosted the Music Garden event. ASOIT President Yee announced Samantha Henkell as the incoming ASOIT President for Klamath Falls. Projects for next year's ASOIT committees include increased hours of access, and community outreach with businesses at the Portland-Metro campus and updating computers in Campus Life at the Klamath Falls campus.

### 2.3 Administrative Council Report

Ms. Davis reported that the council responded to requests for emeritus status and restated that the council is in a transitional time, identifying issues on which to focus. Currently the council is researching issues to advocate, the most efficient way to advocate, and the best way to share information with administrative staff. The council will administer an annual survey of administrative staff. The council will discuss how it can adequately advocate for their constituents and participate in shared governance with Dr. Nagi at the June meeting.

### 2.4 Faculty Senate Report

Faculty Senate President Torres stated ad hoc committees were created to look at faculty workload and the process of faculty evaluation by students. The committees will report out at the upcoming faculty senate meeting. She stated that faculty asked her to reiterate they are very hungry for faculty-board interaction; they would like to get to know and communicate with trustees. She mentioned the possibility of informal interaction when faculty are not in class - perhaps a lunch. Chair Graham mentioned the previously held breakfast meet and greets, that she hoped to interact with faculty at the symposium tomorrow, and will look at ways to find more interaction on campus. Senate President Torres relayed concerns about the budget stating it is clear from budget projections that we will be resource challenged now and in the future. She asked the board to encourage decisions to preserve the quality of education and prioritize the student experience, as it took decades to earn our current reputation and it can be lost quickly. She explained

students are the first importance followed by the health of the university which impacts the health of the community, city and state. She encouraged funds to be spent on equipment or needed staffing and the whole educational experience. She was hopeful and thrilled that work started on a new strategic plan and hoped it will help with budget priorities. She shared that Dr. Mark Clark, while working on the 75-year history of Oregon Tech, noticed there has been no budget link to the strategic plan for the past 30 years. She hoped this can be corrected and that there are budget constraints or contingencies in the strategic plan. She asked what the plan is to deal with the reduction in state funding or to turn around the continuing dip in reserves. She expressed concern with the manner in which the health of departments is determined; currently departments are charged a 41% cost for overhead (not a direct cost). She explained to determine if a department is productive direct costs should be subtracted from the department revenue and that margin should be reviewed; revenue should cover the direct costs. She believes the other method is dangerous; if a department is eliminated the revenue source is lost as well. She stated if the 41% overhead is included it could look as though the department is not contributing; creating the illusion that the problem is the department when it could be something else. She stated there is an undue pressure to increase enrollment and while we would all like to increase enrollment, sometimes it is hard. She explained 1% of students in the U.S. major in math and that we are at that 1% right now; it is hard to get more students to major in math. She stated the push to increase enrollment encourages departments to have overload classes and fewer faculty to make their margins look better and it may cut programs that are contributing; however, you won't be able to identify the true problem. She stated this is technically wrong and should not be used as a tool to manage. She asked how the 41% was determined, if it is a typical amount nation-wide, and why the cost is passed onto the department rather than being allocated to the cost center to get a better picture of the data and what is happening. She encouraged trustees to attend the student symposium.

*Trustee Minty Morris exited the meeting at 2:10pm.*

## 2.5 OMIC Report

**Director Campbell** announced OMIC is moving from the start-up phase to the standard operating phase and now has 26 members, the OMIC Board will hold a retreat in August, a new process for adopting general projects to align with academic calendars is being implemented, there are ten projects out for bid, new equipment is being added including the only water deburring machine in the U.S., DeArmond students will be participating in summer internships, Senator Merkley was hosted, Oregon Tech's Board will be hosted in July, and an EDA grant in the amount of \$2.97M with a state match was awarded to retrofit the building for ADA compliance and install climate control and security measures.

## 2.6 Foundation Report

No verbal report; a written report was included in the agenda packet.

## 2.7 Legislative Report

**AVP Miles** explained universities are waiting to hear from legislative leadership what the final operating budget is for the Public University Support Fund and the final number should be available this week. She requested trustees to make calls to legislative leadership to encourage funding for the universities. **Trustee Brown** requested a copy of the Applied Baccalaureate Bill be sent to the Board, if it is approved.

## 2.8 Strategic Enrollment Management Report

**AVP Veth** gave a PowerPoint presentation discussing enrollment successes and retention efforts including expansion of the ROCK that focuses on helping first-year students with the transition to college. She explained that decisions on retention and enrollment are data driven and data is available at a very detailed level.

## 2.9 Academic Quality and Student Success Committee Report

**Trustee Brown** gave an overview of the meeting noting the recommendations to approve the Data Science and the Doctorate in Physical Therapy programs, and presentations about multicultural student services, the Oregon Renewable Energy Center, and alumni relations. He recognized that Provost Kuleck's last meeting and acknowledged his work.

## 2.10 Finance and Facilities Committee Report

**Trustee Stewart** gave an overview of the meeting noting the FOAC report, quarterly managerial report, internal audit report, ethics hotline report, approvals of annual internal audit work plan and contracts for internal and external auditors, and recommendations to approve tuition and fees, and the budget

## 2.11 Executive Committee Report

**Chair Graham** gave an overview of the meeting noting the recommendation to approve a revised mission statement, and discussion regarding meeting dates and times, and agenda and location information for the July meeting and retreat.

## 3. Consent Agenda

### 3.1 Approval of Minutes of the March 21, 2019 Meeting

### 3.2 Approval of the Data Science Program and Authorization of Staff to Forward to HECC *Recommendation of the AQ&SS Committee*

### 3.3 Approval of the Doctorate in Physical Therapy Program and Authorization of Staff to Forward to HECC *Recommendation of the AQ&SS Committee*

### 3.4 Authorization of Staff to Enter into a Partnership Agreement and Purchase Radiological Sciences Equipment in Excess of One Million Dollars *Recommendation of the F&F Committee*

**Trustee Stewart** moved to approve the consent agenda. **Trustee Brown** seconded the motion. With all Trustees voting aye, the motion passed unanimously.

**Chair Graham** recognized the importance of the recommendation to forward the DPT program to the HECC. **Trustee Stewart** thanked Dr. Kuleck for his work moving this program forward and acknowledged this as his last meeting. **Chair Graham** acknowledged this meeting as **Trustee Perry's** last and thanked him for his service. **Trustee Perry** stated he will be in Naval Officer's Candidacy school and serve as an engineer.

## 4. Action Items

### 4.1 Approval of the 2019-20 Tuition and Mandatory Fees and Authorization of Staff to Forward Both to the HECC

**VP Fox**, on the recommendation of the Finance and Facilities Committee, presented a PowerPoint outlining the tuition and mandatory fee recommendation. **ASOIT President Nguyen** explained the process the Tuition Recommendation Committee employed and

information considered. **VP Fox** reviewed the information that was shared with the Finance and Facilities committee. **Chair Graham** clarified that the university does not receive much funding from the \$186M budget and the funding formula does not recognize or support the high cost to provide the programs we do. Discussion regarding the effects of PERS and PEBB on university budgets. **Chair Graham** requested the Board discuss the impacts of PERS and PEBB and address strategies at the July meeting.

**Trustee Rusth moved to approve the 2019-20 tuition and mandatory fees as presented and as recommended by the Finance and Facilities Committee (with the amendment to Staff Recommendation #3 in the agenda report and as shown below), and authorize staff to forward both the tuition and fees to the HECC.**

Amended Staff Recommendation #3 (~~deletion~~)

That if additional state funding becomes available through the Public University Support Fund (PUSF), and assuming that the Engineering Technology Sustaining Fund, Oregon Renewable Energy Center and Sports Lottery program are funded at levels equal to or greater than the prior Legislatively Approved Budget (LAB), the university shall decrease base undergraduate resident and non-resident tuition rates by 1% for every incremental \$20 million dollars above the Co-Chairs Budget Framework of LAB +\$40.5 million dollars up until such time as the tuition increase reaches 2%.

**Trustee Stewart seconded the motion.**

Discussion regarding process, student feedback, recommended amendments to the process (cheat sheet of terminology, timing of the open forums convenient for meetings, and to use social media during the process).

**With all trustees present voting aye, the motion passed unanimously.**

*Trustee Perry exited the meeting at 4:40pm.*

#### 4.2 Adoption of the 2019-20 All Funds Budget

**Trustee Ziari moved to approve the 2019-20 all funds budget as presented and recommended by the Finance and Facilities Committee. Trustee Starr seconded the motion.**

**Brian Fox** presented a PowerPoint outlining the cost pressures universities are facing, assumptions made, and strategies to close the budget gap including salary savings from vacant positions, budget guidelines, and strategic investments. **President Naganathan** discussed impacts on enrollment, faculty, and programs and acknowledged that the chairs and deans have the opportunity to address how the cuts are made.

Discussion regarding radiological equipment classification (investment or deferred maintenance) and the importance of using up-to-date equipment in the flagship program. **Trustee Brown** asked why only 2% will be cut and wondered if there are programs that need to be reviewed and possibly cut; new programs could be diluting the current students rather than attracting new students. He also voiced concern about faculty morale with budget cuts. **Chair Graham** stated this is a collaborative effort to bring the budget into alignment and many times these cuts bring out creative solutions and a better product. She agreed with **Trustee McClure** that additional time needs to be spent on how to address class size and faculty workload in high demand programs and on-line programs.

**With all trustees present voting aye, the motion passed unanimously.**

#### 4.3 Approval of a Resolution Amending the University Mission Statement

**Chair Graham** explained the proposed amendments and reasoning behind the proposal.

**Trustee Rusth** moved to approve the resolution amending the university mission statement as proposed by the Executive Committee. **Vice Chair Gomez** seconded the motion. With all trustees present voting aye, the motion passed unanimously.

5. Discussion Items – none

6. Other Matters – none

7. Public Comment - none

#### 8. Roundtable

Trustees shared their takeaways from the day. **Trustee Brown** suggested the board have further discussions on some of the issues raised today and that he is a bit worried about the financial situation of the institution, having approved the second deficit budget in as many years. **Trustee McClure** stated it was tough to address the topics of tuition increases and deficit budgets but she appreciated the inclusion of students in the tuition setting process. She is excited about the new programs and positioning of the university. **Trustee Hill** felt the university has progressed and the board solidified over the past four years, creating a culture with values. **Trustee Ziari** feels the university is moving in the right direction. **Trustee Mason** appreciated the collegiality and shared governance. **Vice Chair Gomez** acknowledged the difficult decisions that needed to be made today and appreciated the strategic thinking. She expressed concern about the equipment replacement process for all programs but supported establishing partnerships to address the need. **Trustee Rusth** appreciated the ability to address difficult issues and everyone working closely to reach those decisions. **Trustee Starr** was impressed with the tuition setting process and the people involved. He recommended we start early to address the continued impacts of PERS and PEBB. **Trustee Stewart** expressed his appreciation for the work on the DPT program. He stated that Sky Lakes Medical Center is prepared to write a \$200,000 check to start the program if the Provost Council and HECC grant the program approval. **President Naganathan** stated it was difficult to bring forward a deficit budget and acknowledged all of the staff and faculty hours put into the process. He appreciates the board's willingness to make bold decisions. He let the board know there were adjustments made to the academic calendar to meet the credit hour requirements; the fall quarter will end one week later. He thanked Provost Kuleck for all of his efforts and accomplishments. **Chair Graham** appreciated trustees partaking in outside events representing Oregon Tech and making tough decisions.

#### 9. Adjournment

The meeting was adjourned at 5:46pm.

Respectfully submitted,



**Sandra Fox**  
**Board Secretary**