
**Board of Trustees
Agenda**

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|--|-------------|
| 1. Call to Order/Roll/Declaration of a Quorum (8am) <i>Chair Graham</i> | |
| 2. Reports | |
| 2.1 Finance and Facilities Committee (8:05am) <i>Vice Chair Sliva</i> | |
| 2.2 Executive Committee (8:20am) <i>Chair Graham</i> | |
| 3. Consent Agenda (8:30am) <i>Chair Graham</i> | |
| 3.1 Approval of Minutes from March 18, 2016 Meeting | 1 |
| 3.2 Approval of Corrected 2015-16 Mandatory Fee Schedule for Wilsonville | |
| 4. Action Items (8:35am) | |
| 4.1 Recommendation to Approve a Resolution Appointing Dr. Jay D. Kenton as Interim President and Authorizing the Board Chair to Negotiate Appropriate Terms and Conditions for Interim President Employment (8:35am) <i>Chair Graham</i> | |
| 4.2 Recommendation to Establish and Appoint Members to the Presidential Search Committee (8:50am) <i>Trustee Minty Morris</i> | |
| 4.3 Oregon Tech Participation in the Oregon Manufacturing Innovation Center (OMIC) (9:20) <i>Interim VPFA Kenton and VP McKinney</i> | |
| 5. Discussion - none | |
| 6. Other Business/New Business (9:45am) | |
| 7. Public Comment (9:50am) | |
| 8. Adjournment (10am) | |

The Board reserves the right to hold an Executive Session per ORS 192.660(2)(a) to consider the employment of public officers, employees, and agents. This meeting will be closed to the public.



**Meeting of the
Oregon Tech Board of Trustees
Via Telephone
March 18, 2016
Noon – 2pm**

DRAFT MINUTES

Trustees Present:

Lisa Graham, Chair	Bill Goloski	Kelley Minty Morris
Steve Sliwa, Vice Chair	Jessica Gomez	Celia Nunez-Flores
Jeremy Brown	Kathleen Hill	Dan Peterson
Melissa Ceron	Christopher Maples	Fred Ziari

University Staff and Faculty Present:

Lita Colligan, AVP of Strategic Partnerships and Government Relations
Erin Foley, VP of Student Affairs/Dean of Students
Jay Kenton, Interim VP of Finance and Administration
Lori Harris, Senior Fiscal Manager
LeAnn Maupin, Dean Health Arts and Science
Denise Reid, Assistant Director of Student Affairs
Paul Rowan, AVP of Information Technology Services
Di Saunders, AVP of Communications and Public Affairs
Michael Schell, Athletics Director

Others Present:

Michael Sparks, student

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

Chair Graham called the meeting to order at 12:01pm. The Secretary called roll and a quorum was declared.

2. Reports - none

3. Consent Agenda

3.1 Approval of Minutes from February 22 and February 23, 2016 Meetings

Trustee Minty Morris moved to approve the consent agenda. **Trustee Peterson** seconded the motion. **Trustee Hill** abstained and with all other Trustees present voting aye, the motion passed.

4. Action Items

4.1 Request to Approve 2016-17 Tuition and Fees

Interim VPFA Kenton introduced himself and informed the board of his credentials and his previous employment at Oregon Tech. He stated the university is in a strong financial position and summarized the statutory authorities related to setting tuition. He walked through the process taken to review tuition and fees with staff, students, and the general campus; the modeling; and the proposed increase to tuition and the incidental fee. The university's Fiscal Operations Advisory Committee (FOAC), reviewed the proposed increases, and endorsed the increases as proposed to the board.

He explained that net tuition this year is approximately \$28M; every one percent increase in enrollment or tuition rate equates to approximately \$280,000. The 3% proposed increase is roughly \$840,000 and is needed to keep pace with inflation. Kenton explained that failure to make annual increases in tuition can sometimes lead to larger than inflationary adjustments in out years.

He explained Differential Tuition; it is 15% above the base rate for Engineering and Health degrees. Currently Engineering students pay the differential on all courses they take while Health students pay the differential only on discipline related courses. He stated the way the differential is applied to Engineering students meets the intent of the statute; suggested revising the way the differential tuition is applied to Health students so the differential would be applied to all courses taken by health professions majors.

Trustee Gomez asked if there is a way to increase tuition for newly enrolled students and keeping the tuition constant for returning students. **Interim VPFA Kenton** responded that it can be done and it works well for full-time students; but that mandatory fees are usually not frozen. Further he explained that this would limit the amount of incremental revenue that could be generated annually with tuition increases and with significant fluctuations in State funding could become problematic. **Chair Graham asked staff to gather information to see if a constant tuition philosophy might work for Oregon Tech and to bring it before the board at its summer meeting.**

Vice-Chair Sliwa moved to:

1. **increase tuition rates for all undergraduate and graduate students, both resident and non-resident, by 3% for the 2016-17 academic year and the Summer 2017 term, as outlined in the agenda report;**
2. **increase the incidental fee from \$310 to \$325 and retain the existing Health Service Fee and Building Fees; and**
3. **authorize the president or designee to make minor adjustments to these proposed rates as needed to correct errors or inconsistencies.**

Trustee Goloski seconded the motion.

Trustee Goloski stated he supports the increase, however, feels the quality of the programs could substantiate a larger increase. **VP/Dean Foley** explained the difference between the mandatory fees at each campus: Wilsonville's incidental fee is less because they do not have the same level of services as the Klamath Falls campus. As services are

increased, the incidental fee will increase also. There is no intentional use of Klamath Falls fees for Wilsonville or vice-versa.

With all Trustees present voting aye, the motion passed unanimously.

4.2 Request to Approve the Capital Project Budget of \$5,036,625 to fund Emergency Repairs as part of the XI-Q Bonds

Interim VPFA Kenton explained the two emergency projects associated with the college union: electrical feed repair and storm drain repair. The state approved the sale of \$5,036,625 in Q-bonds and will pay the debt service on these bonds; there will be no cost to university associated with the bonds. The bonds will not be sold until April of 2017 and we will request approval from the state to spend funds prior to bond sale and receive reimbursement. No additional funds are anticipated to be required to complete the projects. He stated there is a deferred maintenance backlog and the majority of the electrical system is direct buried on campus so there are things that we can address to try and avoid similar situations in the future.

Trustee Brown moved to approve the capital project budget of \$5,036,625 to fund emergency repairs as part of the IX-Q bonds, and authorize the VP of Finance and Administration, or designee, to execute contracts and project related instruments to complete the project. Trustee Minty Morris seconded the motion. With all Trustees present voting aye, the motion passed unanimously.

4.3 Request to Authorize the Submittal of the 2017-19 Biennium Operating Budget to HECC

Interim VPFA Kenton explained HECC is not asking the university to submit a budget request per se. They are asking a series of questions in response to a series of scenarios and they will formulate a general budget request from the information received from the seven public universities. He clarified that the docket requests approval to submit a budget but what staff is really asking for is authorization to continue to model and work with the other universities to submit responses to scenarios outlined by HECC. He addressed the anticipated increases in PERS rates over the next few years, changes to health care premiums, salary increases for union members, and the impacts these items will have on the university's budget. He explained the basis for a current service level budget: look at FY15-16 expenditures and ask what the cost increase would be (how much the budget would need to increase) if there were no changes to enrollment, no tuition increases, and no new positions. All seven universities estimate the inflationary increases and PERS, health, and salary increases, would require a 7.9% increase to our base budget. Oregon Tech will request an additional \$1M to assist in funding its unfunded mandate to staff and run the Oregon Renewable Energy Center (OREC). **Interim VPFA Kenton suggested sharing the seven universities' modeling and HECC scenarios with the Finance and Facilities Committee at a spring meeting.** President Maples will be asked to sign a letter submitting this document, with the other six presidents, to the HECC.

Trustee Sliwa moved to authorize administration to continue to model and work with other universities on the submittal required for HECC and authorize the President to sign the submittal. Trustee Ceron seconded the motion.

With all Trustees present voting aye, the motion passed unanimously.

4.4 Request to Authorize Submittal of the 2017-19 Biennium Capital Request to HECC

Interim VPFA Kenton explained the capital budget is due to HECC on May 1st. However, the Presidents Council would like the Vice Presidents' to come up with a prioritized list of projects. The university VPFAs will meet to try and decrease the overall request to a manageable amount. For the last biennium Oregon Tech requested funding for four projects and the request now is to continue with the same priorities/projects but with increased costs and inflation added. The first priority is the Cornett/new Engineering building project. He suggested asking for \$42M of state backed bonds which, when added to the \$11M received last biennium, increases the total project to \$53M. The second priority is a student services building; he proposes to request \$17M and consider combining the building with a student recreation center (no state funding for the rec center; to be paid for with student fees). The third request is for \$3.5M to complete ADA compliance projects but the Legislature asked for it to be rolled into facilities maintenance so there will be no capital request for this project. The last project is Boivin Hall modernization; he recommended asking for \$8.2M to accommodate inflation. FOAC accepted the proposed project and the amended dollar amounts. A campus-wide forum addressing these projects and prioritization was held on the Klamath Falls campus and video-conferenced to the Wilsonville campus on March 8.

Trustee Sliwa moved to recommend submittal of the following 2017-19 biennium capital requests to HECC and to authorize staff to continue to refine the content and to report to the F&F Committee or Board on the progress and deliberations: 1) new center for engineering/Cornett Renovation \$42M; 2) new student center building for \$17M; and \$8.2M for Boivin Hall modernization. Trustee Gomez seconded the motion.

Interim VPFA Kenton addressed the costs associated with the renovation of existing buildings and construction of new facilities: there will be operating budget implications at some point in time. Design usually takes a year, construction another two years, and there will be added operating costs when additional square footage is created. There is also the ability to decrease some costs with efficiency renovations, but the costs/benefits will not be realized until 3 years out.

Trustee Peterson thanked Interim VPFA Kenton for interacting with FOAC and asked if there was concern about the Facilities Master Plan. **Interim VPFA Kenton** stated there is concern about the originally scoped Cornett project and estimated budget. He suggested bringing back the original architectural consultant to meet with faculty and staff to re-scope the project and re-estimate the costs. He felt people are familiar with priorities and are looking forward to the Master Plan update. He addressed the need to review class room space and utilization.

With all Trustees present voting aye, the motion passed unanimously.

5. Discussion Items

5.1 Northwest Commission on Colleges and Universities Accreditation Update

Dean Maupin stated the university is in year seven of the accreditation process. The self-study document was sent out to the Board. The NWCCUA site evaluation team of nine members will be on campus April 4-8. She walked through the standards the committee will look at. The site visitation team requested to meet with the board.

5.2 Update on Upcoming Board Vacancies

Secretary Fox explained the Governor appoints new Trustees, can reappoint Trustees for a second term, and the Senate confirms those appointments. This Board has two positions expiring at the end of June: the faculty and student positions. Staff is bringing a University Policy, similar to the Board policy for recommending candidates to the Governor for appointment, to the President's Advisory Council for recommendation to the President for his signature. Both ASOIT groups, Faculty Senate, and Administrative Council reviewed the proposed policy and made recommendations which were incorporated into the document. Because we do not have a policy in place, she stated that anyone who is interested in applying for either position must apply directly to the Governor's office or they can submit an application to the Board Secretary and she will forward it to the Governor's office.

Trustee Peterson stated he is interested in being reappointed for a second term.

6. Other Matters

President Maples announced that he will not request a new employment contract with the university. He will serve out his contract and remain engaged as President to June 30, 2016.

Trustee Gomez thanked the president for his leadership, leaving Oregon Tech in a great position, and the establishment of the independent board. **Trustee Núñez** thanked the president for his service and wished him well. **Trustee Brown** stated he appreciated the President's ability to steer the university through rough times and for the development of the Wilsonville campus. **Vice-Chair Sliwa** congratulated the president on eight years of service and his accomplishments including the budget hurdles, increasing enrollment, and establishing a healthy fund balance. **Trustee Ziari** thanked the president for his hard work and focus on rural education.

Secretary Fox read draft Resolution 16-1. **Chair Graham** clarified that the transition plan referenced in the Resolution would be a contract with President Maples.

Trustee Peterson stated he is the search chair for the provost position and the position description was to be posted Monday. He asked how the vacancy of the president position will affect that search; the president appoints and works closely with the provost position. **Chair**

Graham suggested the search committee hold off on positing the job and discuss the implications of the president's non-renewal. **Vice-Chair Sliwa** stated the intent of the board is to have stability for the university.

Vice-Chair Sliwa moved to approve Resolution 16-1. He proposed amending the Resolution by removing the word "position." The Resolution would read: The Executive Committee of the Board of Trustees is authorized to work with the Board Chair to approve and implement an appropriate transition plan for the President ~~position~~.

Vice-Chair Sliwa revised his motion to approve amended Resolution 16-1. Trustee Gomez seconded the revised motion. With all Trustees present voting aye, the motion passed unanimously.

7. **Public Comment** - none

8. **Adjournment**

Trustee Goloski moved to adjourn the meeting. Trustee Peterson seconded the motion. With all Trustees present voting, aye the motion passed unanimously. The meeting adjourned at 2:00pm.

Respectfully submitted,



Sandra Fox,
Board Secretary