Minutes

Board Members Present: Swati Adarkar, Gale Castillo, Sho Dozono, Maria Carolina Gonzalez-Prats, Thomas Imeson, Margaret Kirkpatrick, Rick Miller, Lindsay Stewart, Peter Stott, Christine Vernier, and President Wiewel (ex-officio)

Board Member(s) Not Present: Erica Bestpitch, Maude Hines, Irving Levin, and Chair Nickerson

1. Call to Order/Roll/Declaration of Quorum

Vice Chair Imeson called the meeting to order at 1:09 pm. The Board Secretary took roll. A quorum was present, and the meeting proceeded.

2. Open Comment

The following individuals spoke to the Board for approximately three minutes each:

Tiffany Kraft expressed her thoughts regarding Title IV funds and state divestment, encouraged student support and positive dialogue, and that the University should raise revenue.

Shannon Neale expressed concerns regarding staffing, funding, and wages for student workers in the Fifth Avenue Cinema.

Emma Whetsell expressed her opinion about minimum wage, administration salaries, and the President’s salary.

Trevor Jacobson expressed his opinion about the divided nature of the student body and that the views expressed to the Board are often one-sided.

Olivia Pace reflected on the past year and urged the Board to focus on a living wage for students.

Members from the audience presented the Board with copies of signed petitions for a $15 minimum wage for all workers on campus.
3. Invited Comments

   a. Comments from Presiding Officer of the Portland State University Faculty Senate

Professor Gina Greco, outgoing Presiding Officer of the Faculty Senate, reported that she was proud of the work done during the 2015-16 academic year to develop new curriculum and pedagogy in diversity and the alignment of this work with the strategic plan. Greco also discussed the strategic planning process and the importance of faculty input. Greco introduced Professor Brad Hansen, the new Presiding Officer of the Faculty Senate for 2016-17.

   b. Comments from the Associated Students of Portland State University (ASPSU)

ASPSU President Liela Forbes introduced herself to the Board and shared her priorities of disarming of campus security, campus sexual assault awareness, food security, and a $15 minimum wage. Forbes is interested in positive change and a relationship that works for all.

4. Reports and Orientation Sessions

   a. Executive & Audit Committee

Trustee Castillo reported that the Executive and Audit Committee met on June 8, 2016. The committee heard a status report on the FY2016 internal audit plan and approved the FY2017 internal audit plan, which is before the Board today.

The Committee was also briefed regarding the outcome of the FY2015 Single Audit. This audit is required by the federal government for certain recipients of federal funds. This was the first audit done for PSU as a stand-alone entity since the establishment of independent governance. The audit report found no material deficiencies.

The Committee also discussed the draft Trustee Recommendation Policy. More research will be conducted and a revised policy brought back to the committee and full Board at a later time.

The E&A Committee requested a briefing on the status of PSU food services and the Student Health Insurance program. Both reports were included in the committee’s docket material and are available online.

   b. Academic and Student Affairs Committee

Margaret Kirkpatrick, Chair of the Academic and Student Affairs Committee, reported that the committee met on May 11, 2016 and approved the PSU Strategic Plan Goals to serve as the University’s Northwest Commission on Colleges and Universities (NWCCU) Core Themes for the University’s Year One report.
The committee approved a new BA/BS in Urban and Public Affairs on behalf of the Board and recommended that it be forward to the Higher Education Coordinating Commission for approval.

The committee discussed the Strategic Plan and identified initiatives that will be committee priorities. The committee charter will be modified to align with the mission and goals of the committee and the Strategic Plan. The comprehensive campaign’s themes and “big ideas” were presented; further discussions on these matters will continue.

c. Finance and Administration Committee

Rick Miller, Chair of the Finance and Administration Committee, reported that the committee met on June 8, 2016. The financial dashboard requested by the committee is complete and updates will be provided annually or when the Board is asked to approve a project over $5 million. The committee reviewed third quarter budget reports, including budget-to-actual performance.

Miller reported that the committee met its established goals for the year: 1) review of quarterly financial reports, including budget-to-actual performance; 2) completion of a dashboard of financial indicators; 3) exploration of best practices for financial policies related to limits of authority, unbudgeted spending, and long-term contractual relationships; 4) discussions regarding alternative revenue sources; and 5) construction of a University Reserve’s Management Policy.

Miller shared the committee’s work plan for 2016-17, which includes: 1) contingency planning; 2) linking the budget with the Strategic Plan to ensure adequate funding for key priorities; 3) review of Auxiliary departments; 4) tuition stabilization; and 5) discussions regarding operating efficiencies, including savings and allocations.

5. Consent Agenda

   a. Approval of the Minutes from March 31, 2016 meeting
   b. Approval of the Minutes from May 25, 2016 special meeting
   c. FY2017 Internal Audit Plan

Vice Chair Imeson asked for a motion to approve the Consent Agenda.

Action: Trustee Castillo made a motion to approve the Consent Agenda. Trustee Vernier seconded the motion. The motion was approved unanimously.
6. Action Items

a. Approval of Reserves Management Policy

Trustee Miller, Chair of the Finance and Administration Committee, presented an overview of the Reserves Management Policy. Adequate reserves are necessary for the long-term health and sustainability of the University. This policy aligns with Goal 5, initiative 2.2 of the Strategic Plan; and although is a stand-alone policy, it should be considered in conjunction with other University policies, strategic initiatives and institutional priorities. The Primary Reserve Ratio (PRR) will be the measure to monitor the long-term financial adequacy of University reserves. The PRR is indicative of financial strength and flexibility through demonstration of how long the institution can operate using expendable funds only. The target minimum will be a PRR of 0.25 % (or 3 months of expendable funds). The time line to reach the target minimum is five years. This policy aligns with AGB and NACUBO’s recommended primary reserve ratio of 0.4 as an aspirational target.

Vice Chair Imeson asked for a motion to approve the Resolution Approving Reserves Management Policy.

Action: Trustee Vernier made a motion to approve the Resolution Approving Reserves Management Policy. Trustee Stott seconded the motion. The motion to approve the Resolution was approved unanimously.

b. Approval of the FY2017 University Budget

Trustee Miller, Chair of the Finance and Administration Committee, presented an overview of the FY2017 University Budget.

A base budget was developed assuming flat enrollment and a consistent student mix (resident/non-resident), additional revenue generated by the tuition increase authorized by the Board in March, and the state allocation to PSU approved by the Higher Education Coordinating Commission (HECC) pursuant to the Student Success and Completion Model (SSCM). Each division was assigned a base budget of their adjusted 2015-16 budget plus 3%. The budget includes a $5 million positive operating margin and a strategic investment pool of $1.75 million. The strategic investment funds have been committed by the President, in consultation with the President’s executive committee. Over the 2015-17 biennium, the University has designated a total of $7.42 million for critical and strategic initiatives.

Vice Chair Imeson asked for a motion to approve the Resolution Concerning University FY 2016-17 Operating Budget.

Action: Trustee Stewart made a motion to approve the Resolution Concerning University FY 2016-17 Operating Budget. Trustee Stott seconded the motion. The motion to approve the Resolution Concerning University FY 2016-17 Operating Budget was approved unanimously.
7. Report from the President.

President Wiewel highlighted certain aspects of his written report, which is included in the Board docket.

8. Discussion Items

a. Research & Strategic Partnerships Presentation

Vice President Jon Fink shared a presentation on Research & Strategic Partnerships at PSU. He discussed the general purposes of research activities at universities, the funding of academic research and the history of research at PSU, highlighting the research strengths that link to major strategic partnerships. Vice President Fink also discussed entrepreneurship at PSU and student involvement in research. The challenges and opportunities of continued research and the availability of resources were also discussed.

b. Orientation Session: Maseeh College of Engineering & Computer Science

Dean Renjeng Su provided an overview of the Maseeh College of Engineering & Computer Science. He provided details regarding the College’s student body and highlighted the skill sets student have upon completion of their degree. Dean Su explained the distinction between a Science major and an Engineering major and also discussed the College’s partnerships with industry. Dean Su talked about the importance of recruitment of new students and the need to keep the College on the cutting edge of competitiveness with rapid changing technology.

9. Receipt of Written Reports

a. Campus Public Safety Report

Vice Chair Imeson reminded trustees that the semi-annual campus public safety report was included in the Board docket and invited Vice President Kevin Reynolds and Chief Zerzan to answer any questions from the Board about the report. Zerzan discussed the current coverage provided by campus public safety officers. In response to a question, he noted that the majority of campus police arrests were not student-related. He also shared that the written report does not include 86 incidents involving students in crisis (e.g., mental health, etc.) that involved Campus Public Safety, and noted that no use of force was used during those incidents. Chief Zerzan also discussed the use of body cameras, and the storage and review of body camera information. PSU is the first police agency in Multnomah County to use body cameras. Body cameras enable the department to review every police interaction or incident. Finally, Zerzan explained the mechanism for an individual to file a complaint against a campus police officer or safety officer. It was noted that there were no complaints related to arrests.
10. Adjourn

Vice Chair Imeson noted this was Carolina Gonzalez-Prats last meeting and thanked her for her service and contribution to the Board.

Trustee Miller noted this was Vice Chair Imeson’s last meeting as Vice Chair. Miller expressed his appreciation for Vice Chair Imeson’s leadership.

Vice Chair Imeson adjourned the meeting at 4:49 pm.