Minutes

Board Members Present: Swati Adarkar, Erica Bestpitch, Pamela Campos-Palma (video), Gale Castillo, Sho Dozono, Maude Hines, Thomas Imeson, Margaret Kirkpatrick, Irving Levin, Rick Miller, Pete Nickerson, Peter Stott, Christine Vernier, and Wim Wiewel (ex-officio).

Board Members Not Present: Fariborz Maseeh

Staff Present: Don Forsythe, Sarah Kenney, Cathy Kirchner, Rachel Martinez, David Reese, Kevin Reynolds, David Terry, and Phil Zerzan.

1. Call to Order/Roll/ Declaration of Quorum

   Chair Nickerson called the meeting to Order at 1:04 p.m. Roll was taken, a quorum was present, and the meeting proceeded.

2. Public comment

   The following individuals spoke to the Board for two minutes each: Marc Nisenfeld, Chris Fischer, Michele Toppe, Melinda Joy, Brianna Holgate, Michael Walsh, Teressa Raiford, Ricky Benner, Katrina Prosise, Tony Funchess, Dana Tasson, Leona Kinderman, and Domanic Thomas. Each individual addressed campus public safety and the resolution before the Board to commission sworn and armed police officers. The comments were a mix of support and opposition to the proposal.

3. Opening Comments and Reports

   a. Comments from Bob Liebman, Presiding Officer of the Portland State Faculty Senate
Professor Liebman spoke primarily about the pending resolution to commission sworn and armed police officers and shared the Faculty Senate’s resolution in opposition to the proposal.

b. Comments from Eric Noll, President, and Rayleen McMillan, Vice President, of the Associated Students of Portland State University

Noll and McMillan expressed appreciation for the opportunity to work with the administration on the various policies and issues before the Board. They explained ASPSU’s position of non-alignment on the campus public safety proposal and expressed appreciation for the revisions that had been made to the campus public safety resolution. They reiterated the difficulty of the issue.

Noll and McMillan introduced and welcomed Maria Carolina Gonzalez-Prats, who was appointed by Governor Kitzhaber and confirmed by the Oregon Senate to serve as the new student trustee on the PSU Board, effective December 12, 2014. Noll and McMillan also thanked outgoing student trustee Pam Campos-Palma for her service to the Board and the University.

c. Report from the President

President Wiewel shared current enrollment numbers for Fall 2014 and Winter 2015 and highlighted numerous recent accomplishment of PSU faculty members.

John Fraire has accepted an appointment as the new Vice President for Enrollment Management and Student Affairs and will begin in March 2015. Dean Margaret Everett has been named Vice Provost for International Affairs.

Nearly 400 donors and students attended the University’s annual scholarship reception on November 18, 2014 to celebrate the impact of scholarships on campus. Total fundraising is 50% above the same date as last year, with $19 million raised through November 24, 2014.

President Wiewel reported on the Governor’s Recommended Budget and PSU’s needs for the next budget cycle. The amount recommended by the Governor for all universities is $624 million. The request for $60 million in state general obligations bonds for the renovation of Neuberger Hall has been ranked as the top capital project for all universities.

An invitation was extended to all PSU Board Members to attend the Martin Luther King, Jr. event on January 21, 2015. The keynote speaker will be Professor Angela Davis.

There were 54 campus events over a period of 10 days during the Portland State of Mind celebration in October, including concerts, the Simon Benson Awards, open houses, a televised debate regarding the marijuana ballot measure, and the alumni weekend.

The University’s strategic planning process is continuing. There is a new interactive strategic planning webpage on the the President’s Office home page to assist with keeping the
community informed and to obtain feedback. Various initiatives are underway to encourage involvement and engagement by the PSU community.

Media coverage for PSU is increasing. From September 2013 to September 2014 there were 30,465 articles nationwide, with about two-thirds online and one-third in print and broadcast. Use of PSU’s website has grown to 80.6 million views by nearly 6 million users. PSU’s mobile app has gained 12,000 users in seven months. PSU’s Facebook page has exceeded 30,000 “fans” and there are about 12,000 followers on Twitter. The “Fearless” campaign launched in the fall promotes the accomplishments of PSU faculty, students, and alumni.

4. Consent Agenda

Chair Nickerson submitted the consent agenda for approval, which includes approval of the September 11, 2014 Board meeting minutes.

ACTION: Stott moved to approve the consent agenda. Vernier seconded the motion. The motion passed unanimously.

5. Reports Of Standing Committees Of The Board

a. Executive and Audit Committee

Chair Nickerson reported that the Executive and Audit Committee met on December 2, 2014. The Committee was introduced to David Terry, PSU’s Director of Internal Audit. Terry summarized the role of Internal Audit and the EthicsPoint Hotline system for the committee. The committee approved an Internal Audit Charter, amendments to the audit committee charter, and the 2015 Audit Plan. The committee also discussed the process for evaluating the President and the President’s goals for 2014-15 and held an executive session to discuss the President’s evaluation.

b. Academic and Student Affairs Committee

Margaret Kirkpatrick, Chair of the Academic and Student Affairs Committee, reported that the committee met twice since the September Board meeting. On October 7, 2014, the committee approved a new Masters Degree in Early Childhood Education. On November 7, 2014, the committee approved a new Masters Degree in Public Policy. The committee also toured the Student Health and Counseling Center.

c. Finance and Administration Committee

Rick Miller, Chair of the Finance and Administration Committee, reported that the committee met twice since the September Board meeting. Miller congratulated Kevin Reynolds on his appointment as Vice President of Finance and Administration. Miller noted that enrollment at PSU is down .5%; however, this is consistent with trends across the state and country.
6. Action Items

a. Approve Resolution Approving Tuition, Fees and Fines Policy

Miller introduced the resolution, which establishes a policy and process for the setting of tuition and mandatory student fees. The resolution and policy have been approved by the Finance and Administration Committee and are recommended to the Board for final approval. Vice President Reynolds explained that this policy establishes a process for determining tuition and mandatory student fees and will enable the President to return to the Finance and Administration Committee and the Board in February and March, respectively, with a recommendation regarding tuition and mandatory student fees for the 2015-16 academic year. The policy follows standard practice across the county, under which the Board retains authority to set tuition and mandatory student fees and delegates authority to set other fees and fines.

ACTION: Vernier moved to approve the Resolution and Policy on Tuition, Fees and Fines. Donozo seconded the motion. The motion passed unanimously.

b. Approve Resolution Approving Debt Management Policy

Miller introduced the resolution, which establishes a Debt Management Policy. The resolution and policy have been approved by the Finance and Administration Committee and are recommended to the Board for final approval. The policy was drafted with the assistance of Public Finance Management, Inc., (PFM) a financial advising firm for public entities. The proposed policy retains for the Board the authority to approve capital projects, debt financings and land and improvement leases in amounts greater than $5 million. The President or his designees may enter into such transactions with a value up to $5 million, when doing so is in the best interests of the University and sound fiscal management, and does not materially and negatively impact the University’s financial condition or debt ratios. This policy requires regular reporting to the Finance and Administration Committee on the University’s debt portfolio and debt ratios. The policy does not permit the University to enter into derivatives transactions, issue commercial paper, or enter into other short-term financing arrangements without first consulting with appropriate experts and obtaining Board approval of policies necessary for such activities.

ACTION: Stott moved to approve the Resolution and Debt Management Policy. Castillo seconded the motion. The motion passed unanimously.

c. Approve Resolution Approving Investment of University Funds in the Public University Fund

Miller introduced the resolution, which approves the continued investment of University funds in the Public University Fund (PUF), pursuant to the investment policy of the Oregon Investment Council (OIC). The resolution has been approved by the Finance and Administration Committee and is recommended to the Board for final approval. Reynolds explained that in order to
facilitate the July 1, 2014 changeover from pooling cash balances in the OUS Fund to the PUF, the PUF Investment Policy was developed by the System, working with PFM, and was subsequently approved by the Oregon State Treasurer’s Office and the OIC. On July 1, 2014, the cash balances of the public universities that elected to participate in the PUF—Eastern Oregon University, Oregon Institute of Technology, Oregon State University, Portland State University, Southern Oregon University and Western Oregon University—were transferred into the PUF.

It has been requested that each public university participating in the PUF obtain board approval of the investment of university funds in the PUF, pursuant to the PUF investment policy. If Portland State University does not approve the PUF investment policy and does not wish to continue to participate in the PUF, the University will need to develop its own investment policy and obtain Board approval for such policy before withdrawing PSU funds from the PUF, which requires at least six month notice to the PUF.

ACTION: Imeson moved to approve the Resolution Approving Investment of University Funds in the Public University Fund. Vernier seconded the motion. The motion passed unanimously.

d. Approve President’s 2014-15 Goals and Evaluation Process

Chair Nickerson informed the Board that the Executive and Audit Committee had requested that President Wiewel draft goals for 2014-15 to be used for evaluation purposes at the end of the year. President Wiewel presented those goals to the committee and the committee discussed the evaluation process to use this year.

President Wiewel reviewed the cover memo included in the Board’s hand-outs and the suggested indicators for presidential review included in the docket.

The Executive and Audit Committee recommends that the Board approve the President’s goals and proposed indicators for use during the President’s 2014-15 evaluation and recommends the following process:

1. In June or July 2015, the Chair of the Board will meet with the President to discuss the President’s progress on his goals, and may discuss the President’s performance with other members of the Board or the community.
2. In July or August 2015, the President will report to the Executive and Audit Committee regarding his progress on the goals. The Committee will hold an executive session regarding the President’s performance. The Chair of the Board will then prepare a short evaluation summary for presentation to the full Board.
3. September 10, 2015: The Chair of the Board will present the evaluation summary to the full Board. The full Board will hold an executive session regarding the President’s performance.

The Executive and Audit Committee also recommends that the committee develop a Board policy on presidential evaluation for consideration by the Board at its June 2015 meeting.
ACTION: Castillo made a motion: (1) approving the President’s 2014-15 goals; (2) approving the proposed process and timeline for evaluating the President for 2014-15; and (3) directing the Executive and Audit Committee to prepare a Board policy regarding presidential evaluation and to bring such policy to the full Board for approval. Stott seconded the motion. The motion passed unanimously.

   e. Approve Internal Audit Charter and Amendments to Executive and Audit Committee Charter

Chair Nickerson introduced David Terry, Portland State’s new Director of Internal Audit, to the Board. Nickerson reported that the Executive and Audit Committee had been introduced to Terry at the committee’s most recent meeting. At that meeting, Terry presented the committee with a proposed PSU Internal Audit Charter and amendments to the previously approved charter of the Executive and Audit Committee. The committee approved the charter documents and recommends them to the Board for approval.

Terry provided an overview of the internal audit charter, described the objectives of annual risk assessments and of internal audits, and discussed EthicsPoint and the hotline complaint process. The internal audit charter is a formal document that defines Internal Audit’s purpose, authority, and responsibility. The charter outlines the reporting structure for the Director of Internal Audit and authorizes access to records, personnel, and physical properties relevant to the scope of internal audit activities.

Chair Nickerson asked if this internal audit format and structure is consistent with that at other institution. Terry responded that it is consistent with the recommendations of the Institute of Internal Audit and with the charter that had been in place under OUS.

ACTION: Kirkpatrick moved to approve the Internal Audit Charter and the amendments to the Executive and Audit Committee Charter. Adarkar seconded the motion. The motion passed unanimously.

   f. Approve 2014-15 Audit Plan

Terry provided an overview of the proposed 2014-15 Audit Plan. The Audit Plan was approved by the Executive and Audit Committee and has been recommended to the Board for final approval. The Audit Plan was developed following a risk assessment process. The objectives of the annual risk assessment is to identify audits that will provide the most value to PSU by: 1) reducing the risk of operational inefficiencies and ineffectiveness; 2) increase the reliability and transparency of financial reporting; 3) mitigating the risk of misappropriation of assets; and 4) mitigating the risk of non-compliance. The annual risk assessment process included the following action items: review of significant contacts, review of recent OUS internal audits at PSU, interviews of PSU management, analysis and review of recent financial transactions, review of key internal controls, review of compliance requirements, and benchmarking against peer institutions.
The proposed Audit Plan includes one consulting project (University Advancement), four audits (Athletics, Research and Strategic Partnerships, Financial Aid, and Housing and Residence Life), and adequate time for special reviews and consulting projects that may arise.

Reese noted there had been a request that PSU move to having audit plans based on the fiscal year rather than the calendar year. Therefore, the current Audit Plan may carry over for an 18 month period in order to have the next plan be on the fiscal year cycle.

ACTION: Vernier moved to approve the 2014-15 Audit Plan. Dozono seconded the motion. The motion passed unanimously.

g. Approve Resolution regarding University Police Department

Tom Imeson, Chair of the Special Committee on Campus Public Safety, provided a summary of the committee’s three meetings. The first meeting held on October 27, 2014 included a detailed briefing on the Campus Public Safety Task Force report. The committee heard from various members of the campus community including students, faculty and staff, as well as experts from the Portland Police Bureau, the University of Oregon and the Oregon Department of Public Safety Standards and Training. The second meeting was held on November 24, 2014 and involved review of a draft resolution, as well as comments from members of the campus community opposed to the creation of a University police department. The third meeting was held on December 3, 2014. At this meeting, the committee considered and approved a resolution which had been revised to incorporate various concerns raised by members of the committee and the community. The committee recommends the resolution to the full Board for final approval. The committee recognizes the seriousness of the concerns that have been expressed regarding this issue, but believes it is important to move forward with the resolution. The committee recommends that the Board remain involved through implementation of the resolution and over the multi-year roll-out period for establishing a University police presence.

The Board engaged in a comprehensive and lengthy discussion about the resolution. Trustees offered comments about their unique perspectives on the issue and their experiences through the process of considering the issue. Trustees noted the deep concern of many members of the campus community. Of particular concern is the issue of arming sworn officers and whether the Board should defer the issue of arming officers for a later time.

Imeson moved that the Board adopt the Resolution Regarding the Commissioning of Sworn Officers by the University Public Safety Department. Stott seconded the motion.

First Motion to Amend

Imeson moved that the resolution be amended as follows:

1. By striking the second sentence of paragraph 9 and replacing it with the following: “The Board is required to approve the Plan prior to the deployment of sworn, armed officers.”
2. By replacing “diffusing” in paragraph 2 with “defusing.”

Dozono seconded the motion. This first motion to amend the resolution was adopted unanimously.

Second Motion to Amend

Hines moved that the resolution be amended as follows:

1. By deleting the first sentence of recital B.
2. By deleting “armed” from paragraph 3 in both places that it appears.
3. By striking the first sentence of paragraph 4 and replacing it with the following: “Prior to the deployment of sworn police officers, and to the authorizing and deployment of armed police officers, the University shall develop a University Public Safety Department Management and Implementation Plan.”
4. By adding to the list of issues to be considered by the Implementation Advisory Committee in subparagraph 5.b the following: “v. alternatives to the use of lethal force for ensuring public safety.”
5. By adding a new sentence as the second sentence in paragraph 9 as follows: “At its June meeting, the Board may vote on a Resolution to arm Portland State University’s sworn police officers.”

Campos-Palma seconded the motion. This second motion to amend the resolution failed with four ayes and nine nays. Voting aye were Adarkar, Campos-Palma, Dozono, and Hines. Voting nay were Bestpitch, Castillo, Imeson, Kirkpatrick, Levin, Miller, Stott, Vernier, and Chair Nickerson.

Third Motion to Amend

Kirkpatrick moved that the resolution be amended by adding to the list of issues to be considered by the Implementation Advisory Committee in subparagraph 5.b the following: “v. alternatives to the use of lethal force for ensuring public safety.”

Dozono seconded the motion. The motion to amend the resolution was adopted with twelve ayes and one nay. Voting aye were Adarkar, Bestpitch, Campos-Palma, Dozono, Hines, Imeson, Kirkpatrick, Levin, Miller, Stott, Vernier, and Chair Nickerson. Voting nay was Castillo. Castillo noted that she believed this issue was already covered in the resolution.

Vote on the Main Motion

The main motion, to adopt the Resolution Regarding the Commissioning of Sworn Officers by the University Public Safety Department, as amended by the first motion to amend and the third motion to amend, was put to a vote and was approved with eleven ayes and two nays. Voting aye were Bestpitch, Campos-Palma, Castillo, Dozono, Imeson, Kirkpatrick, Levin, Miller, Stott, Vernier, and Chair Nickerson. Voting nay were Adarkar and Hines.
7. Discussion Items

   a. Introduction to PSU Faculty Association (AFT) (Kelly Cowan, Collective Bargaining Unit for Adjunct Faculty)

      This item was deferred to a future meeting.

   b. Orientation Session Regarding the Maseeh College of Engineering and Computer Science

      This item was deferred to a future meeting.

8. Adjournment

   The Chair and Board thanked outgoing trustee Pam Campos-Palama for her service to the Board and to the University, and welcomed the new student trustee, Maria Carolina Gonzalez-Prats, whose appointment is effective December 12, 2014.

   Chair Nickerson adjourned the meeting at 4:59 p.m.