March 12, 2014
University Place Hotel: Willamette Falls Room
1:00–5:00 PM

Board Members present included: Swati Adarkar, Erica Bestpictch, Pam Campos-Palma, Gale Castillo, Sho Dozono, Maude Hines, Margaret Kirkpatrick, Irving Levin, Rick Miller, Pete Nickerson, Christine Vernier and Wim Wiewel.

Board Members not present included: Peter Stott and Fariborz Maseeh.

University Staff present included: David Reese (Board Secretary), Lois Davis, Rachel Martinez, and Annie Kirk.

1. **CALL TO ORDER/ROLL/DECLARATION OF QUORUM**

Chair Nickerson called the meeting to order at 1:08 p.m. and the Board Secretary took roll. A quorum was present, and the meeting, having been duly convened, was ready to proceed with business.

2. **OPENING COMMENTS AND REPORTS**

   a. Comments from Leslie McBride, Presiding Officer of the Portland State Faculty Senate

Leslie McBride reported to the Board on behalf of the Faculty Senate. McBride discussed program prioritization review, and gave a status on the Ad Hoc committee that has been assembled for the review process. McBride gave an update on the Northwest Commission on Colleges and Universities (NWCCU) Academic Program Review Process and their recommendations for an internal review of academic educational policy for promotion and tenure review every 5 years. McBride informed the Board that the Faculty Senate has converted the Honors Program into the Honors College. McBride also discussed the Senate’s work related to the granting of credit for prior learning.

   b. Comments from Rayleen McMillan, Director of University Affairs of the Associated Students of Portland State University
Rayleen McMillan reported to the Board on behalf of the Associated Students of Portland State University (ASPSU). McMillan discussed the following ASPSU priorities: student fee allocation recommendations by the Student fee Committee; getting better student participation and voter turnout for the ASPSU elections in the spring; and work to improve the Higher One contract regarding disbursement of financial aid. McMillan also discussed ASPSU’s support of the American Association of University Professors (AAUP) in collective bargaining negotiations.

c. Report from the President

President Wiewel shared current and projected enrollment numbers, private funding data, faculty achievements, and updates on academic programs. Wiewel recapped the legislative session, athletics standings, and encouraged trustees to download the new PSU app. Wiewel also gave a labor update on collective bargaining with the AAUP.

In response to questions from the Board, President Wiewel addressed the issue of a potential strike and gave a brief history of strikes at academic institutions in Oregon. After no further questions or comments from the Board, Chair Nickerson thanked President Wiewel.

3. CONSENT AGENDA

   a. Approval of Minutes from Meeting of January 30, 2014

Chair Nickerson submitted the consent agenda for approval. On the agenda was approval of the January 30th Board meeting minutes.

ACTION: Maude Hines made a motion to approve the consent agenda. Sho Dozono seconded the motion. The motion was approved unanimously.

4. REPORTS OF STANDING COMMITTEES OF THE BOARD

   a. Executive and Audit Committee

Chair Nickerson reported that the Executive and Audit Committee meet on March 5. Nickerson shared three items of committee business with the Board: the status of the search for an Internal Auditor, who will report to both the President and the Board, and the subsequent need to hire an external auditor; the need for the Board to amend the President’s employment contract before June 30 to add compensation terms and edit reporting language to reflect the role of the Board where appropriate, which will be on the agenda for the June Board meeting; and Board elections for officers for the year beginning July 1, to be discussed and voted on at this meeting.
b. Academic and Student Affairs Committee

Margaret Kirkpatrick, Chair of the Academic and Student Affairs Committee, reported that no formal meetings of the committee have happened. Two committee meetings are expected to occur before the full Board Meeting in June.

c. Finance and Administration Committee

Rick Miller, Chair of the Finance and Administration Committee, extended compliments to Monica Rimai, Vice President of Finance and Administration, and Alan Finn, AVP of Budget and Finance, for their work leading up to and including the March 6th F&A committee meeting. Miller discussed the F&A committee’s meetings regarding the University’s 2014-15 tuition request and a Higher Education Coordinating Commission appropriation request. The committee has approved resolutions regarding both topics, which will be discussed and voted on at this meeting.

5. Discussion Items

a. Financial Performance Review (30 minutes)

Monica Rimai reviewed the University’s financial performance for FY 13-14 and shared data on budget history and trends at PSU. Rimai discussed PSU’s 5-Year budget plan and the FY 2013-14 budget vs. actual status by University unit (which can be found in the Powerpoint presentation). Rimai gave an overview of PSU’s Performance Based Budget model. Rimai encouraged the Board to consult the Finance and Administration website to learn more about the Performance Based Budget Model for future conversations.

6. Action Items

a. Approval of Tuition and Fees for FY 14-15 (30 minutes)

The Finance and Administration Committee approved and forwarded to the full Board a resolution approving tuition and fees for the 2014-15 academic year. If approved by the Board, the proposal will be sent to the State Board of Higher Education because the SBHE continues to have authority until June 30, 2014.

Monica Rimai highlighted student involvement through the Student Tuition Advisory Committee and gave a presentation on how tuition and fees are set and how they correlate to enrollment and academic programs. The proposed based tuition increases, tuition differentials and mandatory fees can be found in the Powerpoint presentation.
ACTION: Gayle Castillo moved to approve the 2014-15 tuition and fees resolution, as recommended by the F&A Committee. Margaret Kirkpatrick seconded the motion. The motion was approved with nine ayes (Adarkar, Bestpitch, Castillo, Dozono, Kirkpatrick, Levin, Miller, Nickerson, Vernier), one nay (Campos-Palma) and one abstention (Hines).

b. Approval of State Appropriation Request for FY 15-17

The Finance and Administration Committee approved and forwarded to the full Board a resolution approving the University’s 2015-17 state appropriations request to the Higher Education Coordinating Commission (HECC).

Monica Rimai discussed the expectations of the HECC for state appropriation requests and the timeline. Rimai presented data on the additional cost to the University of providing current level of service for the 2015-17 biennium, which equals $22.9 million of additional cost. Rimai also discussed strategic initiatives included in the appropriations request. The strategic initiatives include various items intended to improve student outcomes and close the completion gap for students. Details of the request related to each initiative are in the Powerpoint presentation. The University is also seeking $10 million for an information technology connectivity initiative in partnership with Oregon’s other research universities. The total proposed request to the HECC is $184.8 million for the biennium (including the current base state appropriation, continuation of the current tuition buy-down, initiatives to improve student outcomes, and the information technology connectivity initiative). The detail is in the Powerpoint presentation.

ACTION: Christine Vernier moved to approve the 2015-17 appropriation request resolution, as recommended by the F&A Committee. Erica Bestpitch seconded the motion. The motion was approved unanimously.

c. Election of Officers for FY 14-15 (15 minutes)

David Reese, Secretary to the Board, presented nominations from the Executive and Audit Committee for the positions of Chair and Vice Chair of the Board for full one-year terms to begin July 1, 2014. The committee nominates Pete Nickerson to continue to serve as Chair and Tom Imeson to continue to serve as Vice Chair.

ACTION: Rick Miller made a motion to concur with the recommendations of the Executive and Audit Committee and to elect Nickerson and Imeson to new terms as Chair and Vice Chair to begin July 1, 2014. Sho Dozono seconded the motion. The motion was approved unanimously.
7. **DISCUSSION ITEMS (CON’T)**

a. College Of The Arts

Chair Nickerson introduced Robert Bucker, Dean of the College of the Arts. Dean Bucker gave a presentation on the college and each of its four schools: the School of Architecture, the School of Art and Design, the School of Music, and the School of Theatre and Film. Bucker highlighted recent renovations of college facilities, Lincoln hall usage, community partnerships, and various honors and awards.

Chair Nickerson thanked Dean Bucker after no further comments or questions from the Board.

8. **PUBLIC COMMENT**

Comments were provided by the following members of the community:

Cameron Frank, a PSU student, shared his views regarding ongoing AAUP bargaining and his support for contract terms regarding academic quality.

Patricia Schechter, a Professor of History, described the history and background of AAUP at PSU and shared her concerns regarding ongoing contract negotiations.

David Osborn, a Capstone Instructor in University Studies, shared faculty concerns regarding the length of employment contracts and job security, particularly for fixed term faculty members.

Jose Padin, as Associate Professor of Sociology, shared concerns about pay for faculty and faculty stability, and the need to address these issues in the AAUP contract.

Bob Leibman, a Professor of Sociology, Presiding Officer-Elect of the Faculty Senate, and member of the AAUP collective bargaining team, shared concerns regarding the AAUP’s role in shared governance and his support for that role.

Mary King, a Professor of Economics and President of the PSU Chapter of the AAUP, commented on the University’s budget priorities, the AAUP’s strike authorization vote, and the overall status of ongoing negotiations.

9. **ADJOURN**

With no further comments or questions, Chair Nickerson adjourned the meeting at 5:06 pm.