



**Western Oregon University Board of Trustees:
Finance & Administration Committee (FAC)
Meeting No. 33 – October 23, 2023 | 10:00AM-2:00PM**

MINUTES

I. CALL-TO MEETING / ROLL CALL

Chair Evans called the meeting to order at 10:00am.

The following Trustees were present: Chair Gayle Evans, Lupe Diaz, Angela Fasana, Cec Koontz.

The following Trustees were excused: Trustee Leah Mitchell

Others Present: Jesse Peters, Ana Karaman, Camarie Moreno, Cara Groshog, Rebecca Childs, Michael Ellis, Shadron Lehman, Kristie Rudich, Amy Clark, Jason Krawczyk, Evan Sorce, LouAnn Vickers, Darrin Silbernagel

II. COMMITTEE CHAIR'S WELCOME / ANNOUNCEMENTS

Chair Evans mentioned that there is no public comment at this committee, but there will be invited guests who will provide testimony later in this agenda. There are public commenting periods during the second day of our full board retreats for members of the public or members of the campus community to provide feedback to the board. Chair Evans also mentioned that this is the first Finance and Administration Committee (FAC) meeting of the academic year. In this meeting, we will review our adjusted budget now that we have some real numbers. Chair Evans then asked President Peters to discuss the positive numbers around enrollment. President Peters said that for the first time in over a decade, the enrollment at Western Oregon University will be up, and it looks like it will be up between 4 and 5% over last year. And 2-3% increase in FTE. This is a great moment for the institution, and it is due to the hard work of many in this room and across this campus. This is a trend across the other Oregon Universities, but a 5% increase is a big deal for us.

III. CONSENT AGENDA

Trustee Koontz moves and Trustee Fasana seconded the approval of the May 25, 2023 minutes. The motion was passed unanimously.

IV. ACTION ITEMS:

I. Accept FY 2024 Management Report (as of September 30, 2023)

Dr. Ana Karaman and Camarie Moreno gave an update on the budget management report, which can be reviewed in the docket. Dr. Karaman and Camarie Moreno discussed the great job the campus community did to cut spending and put the University in a better financial situation. Staff discussed the need to keep being mindful of expenditures. Enrollment increases are good news, but much of the

increase in enrollment came from Oregon students, and out-of-state and WUE students are down. So, we will not see a 1 to 1 income from the increase in enrollment. Trustee Koontz moves to accept, and Trustee Fasana seconds the FY 2023 Management Report (as of September 30, 2023). The motion passes unanimously.

II. Recommendation for Approval of FY2024 Adjusted Budget

Dr. Ana Karaman led the presentation of the proposed FY2024 Adjusted Budget, which can be reviewed in the docket for review. The Adjusted Budget reflects the budget initially approved by this body in May and then by the full Board in June, updated with more accurate numbers now that we know enrollment and actual state allocations. This budget also includes the increase for unclassified employees President Peters approved in the fall. Dr. Karaman also mentioned additional efforts to provide more transparency than in the past, including a list of every fund in the budget book.

While Assistant Vice President for Safety and Operations, Rebecca Childs, was discussing the impact of fluctuating heating costs on our expenses. Trustee Evans asked about solar power on our proposed capital projects. Jason Krawczyk, Director of Capital Planning & Construction, answered the question by talking about the Student Success Center project and said that the roof was designed to be able to install solar as part of the project because of escalating costs due to inflation and other facts, there is no longer any room in the budget for solar. It is something we are looking at for future planning. Dr. Karaman shared the history of getting funding for solar power in the Education Building, which was funded through the state and other grants. Trustee Evans emphasized that if WOU successfully secures funding and then builds the data center, that will mean a considerable increase in heating and cooling, so we should look at as many alternative energy opportunities as possible.

Dr Ana Karaman and WOU Athletic Director Randi Lydum led a robust conversation about the Athletic Department's expenses and revenues, including the history of how we got there. The discussion included the increased costs around travel, much of which is out of the control of the Athletic Department, and the impacts of adding Men's Soccer. They also discussed in depth the benefits of our Athletics Department and Division II Athletics in general. There were also questions from the Trustees about the possibility of additional revenues, such as community partners that would be willing to sponsor the Soccer program for example. This conversation included talk about the proposed budget change for athletics that can be found in the docket.

Trustee Koontz moved, and Trustee Fasana seconded the motion to recommend to the Western Oregon University Board of Trustees the approval of the proposed FY2024 adjusted budget as presented in the docket. The motion passed unanimously.

III. RECOMMEND FOR APPROVAL QUASI ENDOWMENT TRANSFER:

Dr. Ana Karaman led the conversation around the Qusai Endowment Transfer. The proposal is in the docket for review. Chair Evans emphasized that it is important to note that all of the initiatives listed are strategically important to the university. Chair Evans did have two questions. She asked for clarification on the \$80k for the equity assessment. Dr. Karaman clarified this was the second payment of the Equity Assessment. Trustee Evans then asked when the Trustees will start seeing budget numbers with Equity Assessment Action Items. Dr. Karaman said she will get back to Chair Evans, but a committee is doing this work, and the DEIAC is getting updated on it. Trustee Koontz moved, and Trustee Fasana seconded the motion to the Finance and Administration Committee to recommend to the Western Oregon University Board of Trustees to authorize staff to transfer up to \$400,000 out of the quasi-endowment to the Education and General fund.

IV. RECOMMEND FOR APPROVAL CAPITAL PROJECT SUBMISSION TO HECC FOR 2025-2027 BIENNA

Dr. Ana Karaman and Jason Krawczyk presented the Capital Project Submission to HECC for the 2025-27 Biennia proposal. The proposal is in the docket for review. The proposal includes two projects: the top priority is the Performing Arts Remodel Project, and the second priority is the WOU Data Center Complex. Chair Evans had a question about what alternatives the staff looked at while developing the Data Center. Jason Krawczyk responded that several alternatives to this proposal were examined, including the possibility of moving everything onto the cloud. It was determined that this was the best option. The data center could also be used as a backup resource for community partners such as Polk County, the School District, or the Cities of Monmouth and Independence. There was a robust conversation regarding the need for a Data Center and the project's scope.

Trustee Koontz moves, and Trustee Fasana seconded the motion that the Western Oregon University Finance and Administration Committee recommend to the Board of Trustees to continue to develop rubrics for the Performing Arts Remodel Project for up to \$24.2 million and the WOU Data Center Complex for up to \$13.8 million to the Higher Education Coordinating Commission for scoring during 2025-2027 legislative cycle.

The Following Trustees voted in favor of the motion: Trustee Angela Fasana, Chair Evans, and Trustee Diaz.

The following Trustee voted against the motion: Trustee Cecelia Koontz. Motion passes.

After further conversation, Trustee Fasana asked for reconsideration of the previous motion, and Trustee Koontz seconded the motion for reconsideration. There was a robust conversation again about the data center proposal in the discussion portion. Dr. Karaman talked about the sideboards built into the system, such as if the scope of the proposal changes, it has to come back to the FAC and then the entire board. The motion to reconsider the previous motion passes unanimously.

Trustee Koontz and Trustee Fasana seconded the motion that the Western Oregon University Finance and Administration Committee recommend to the Board of Trustees to submit a rubric in accordance with HECC requirements for the Performing Arts Remodel Project for up to \$24.2 million and to continue to refine a proposal for the rubric for the WOU Data Center for up to \$13.8 million for scoring during 2024-2027 legislative cycle. The motion passes unanimously.

Note that Trustee Cecilia Koontz left the meeting at 12:35pm

Chair Evans called for a 15-minute recess. The committee will reconvene at 12:50 pm.

Chair Evans gaveled the meeting back into order at 12:50 pm and asked Secretary Sorce to call the roll.

Committee Members Present: Chair Gayle Evans, Trustee Angela Foster, Trustee Lupe Diaz.

Committee Members Excused: Trustee Cecilia Koontz and Trustee Leah Mitchell

V. REPORTS & DISCUSSION ITEMS:

I. University Budget Advisory Committee (UBAC)

Cara Groshog presented the UBAC report which can be found in the docket for review.

II. University Technology Advisory Committee (UTAC)

Amy Clark presented the UTAC report, which can be found in the docket for review. There was a short conversation in the committee about what other groups on campus should be involved in UTAC. There was a question about Institutional Research's involvement in the Data Integrity Group Subcommittee. Georgia from Institutional Research is the Chair of the Data Integrity group and, therefore, gets a seat at UTAC.

III. Finance and Administration Report

Dr. Ana Karaman presented her Finance and Administration report which can be found in the docket for review.

IV. Finance & Administration Committee Goals & Guardrails to Achieve NWCCU 5 Year Financial Sustainability Model

Chair Evans talked about the Committee Goals of increasing transparency, facilitating trust and accountability, and keeping an eye on the modeling to ensure we continue to follow the NWCCU 5-year Financial Sustainability Model. Chair Evans celebrated all this

committee accomplished last year and committed that this committee will work to ensure the university stays on track this year.

Note: Trustee Angela Fasana left the meeting at 1:45pm

VI. NOVEMBER 14-15, 2023 BOARD MEETING PREPARATION

We have three agenda items in front of the full board. The first is the Management Report, which will be in the Consent Agenda, then the Adjusted Budget's Approval and the Quasi-Endowment Transfer's Approval will be under committee action items. There was then a discussion on moving the budget conversation to Tuesday to ensure that Randi Lydum, WOU Athletic Director, can be there to answer questions about Athletics funding in the budget.

VII. UPDATES AROUND THE TABLE

VII. ADJOURNMENT

Chair Evans adjourned the meeting at 1:50pm.