

Executive Committee Minutes  
February 3, 1996  
Phoenix, AZ

Trustees: Marvin Wilson (Chair), Stan Bettin, Wayne Duderstadt, Kevin Eichner, Hal Germer, Mercile Lee, Charlene Lister, C. O. Nauman, Jim O'Dell, Justus O'Reilly, Ramon Schmidt, Patti Wolf.

Administration: Roseanne Becker, Jim Billick, George Chaney, Vernon Larson, Anne Mills, Ilene Risley, Jan Stone, Fred Zook.

Marvin Wilson opened the meeting at 10:05 a.m. and Ramon Schmidt offered prayer. Pat Warren distributed new Board of Trustees books for 1996, the agenda, and expense forms.

Financial Reports. Anne Mills presented the Financial Report through December, 1995. University results were \$346,000 better than anticipated. Of concern are Campus expenses at \$107,000 over plan, Milwaukee revenues which have fallen behind, and University wide Administrative expenses which are also over plan due to paying a \$65,000 copier settlement. All other units are performing better than plan.

Anne Mills distributed a "Liens list" of unbudgeted commitments and pending commitments related to the current year net of operations. Unbudgeted commitments include the Taury Jones renovation, copier settlement, the new Director of Finance/Controller position, repairs to floors in Ward Science, and a sound system for the chapel. These total \$144,000. Pending commitments are operating reserves, Martin Hall drawings and parking improvements. These total \$737,000.

The Preliminary budget for 1996/97 was distributed and discussion followed regarding the budget for each unit. George Chaney spoke to the campus budget. The budget assumes 285 new students, an increase of 50 above last fall, the same amount of institutional aid per student, and a 3% increase for most other expenses. Kevin Eichner questioned whether the campus will be able to achieve their current year's budget. Since all agreed the campus budget should be one that can be achieved, the administration was asked to redo the campus budget assuming 260 new students instead of using the enrollment management goal of 285.

Jim Billick reported for Kansas City. The preliminary budget for 1996/97 projects a 10% increase in total revenues over current year activity. This takes into account a reduction in income and expense related to outsourcing the supplying of textbooks. The best estimate is the present year will show \$2.6 million in revenues.

Vernon Larson spoke for the International program. Ten new starts are expected in 1996/97. Ipoh, Malaysia is a probable new

site, and there will be changes in Hong Kong. This represents a significant increase over this year's plan, but is consistent with this year's growth in starts and students.

Ilene Risley spoke for Milwaukee. Inquiries and intakes continue at a good growth rate this year, and the budget for next year assumes this growth rate will continue. This budget includes the center bearing its share of University wide allocations and shared support costs. In response to a question about the present year, Ilene stated Milwaukee has a chance to break even with a \$30,000 deficit the worst probable scenario.

Fred Zook reported for Phoenix. Fred indicated \$7.5 million for 1996/97 is a stretch. Expenses have increased due to adding staff and faculty and space. He will not really know the 1995/96 baseline until April or May. Again, this budget is preliminary. In Phoenix, 85% of students are enrolled in programs in education, psychology, business and human resources. Fred commented the Phoenix market place is changing. Students want degrees in specific areas, and this affects staffing. He also noted Phoenix is phasing out its California program.

Roseanne Becker reported for University Relations. The December results show the annual fund ahead of plan with good prospects for achieving the full year plan of \$850,000. Since she anticipates filling her remaining open position, she believes next year's goal of \$900,000 is reasonable. Hal Germer commented that the budget includes all University Relations expenses, but only the unrestricted gift income. He suggested that total giving should be between 4-to-1 and 5-to-1 in relation to annual expenses.

Based upon this preliminary budget, the administration requested approval to issue faculty contract commitments for 1996/97. This was agreed to by the Committee. Kevin Eichner noted that the proposed budget shows a 51% growth in University revenues over the four year period, a considerable growth rate. Anne Mills noted that because of new accounting requirements the format of the budget when presented in April will look somewhat different.

Anne Mills reported on Martin Hall renovation financing costs as requested at the October meeting by the Business Affairs Committee. The cost of borrowing \$1 million at current KICA loan rates would be \$133,000 annually for a ten year loan, or \$100,000 for a fifteen year loan. Based upon a projected income of \$150,000, it is recommended that we plan towards the fifteen year loan while using the remaining funds to cover increased operating costs and maintenance.

Anne Mills then reported that over the past two weeks a review of all cash and investment accounts has been conducted to determine how they are used and which accounts should now be the

responsibility of the new Director of Finance/Controller with University wide functions. At the same time, authorization of signatures for various kinds of accounts is timely because of staff changes. Anne Mills therefor recommended the following:

A. University wide accounts should be signed by:

President	Harold D. Germer
Treasurer Board of Trustees	Wayne Duderstadt
Vice President for Business Affairs	Anne Mills
Director of Finance/Controller	Brenda M. Guenther

B. Campus and Phoenix accounts should be signed by:

Provost of that unit	
Business Manager of that unit	
President	Harold D. Germer
Director of Finance/Controller	Brenda M. Guenther

C. Kansas City and Milwaukee accounts should be signed by:

Provost of that unit	
President	Harold D. Germer
Vice President Business Affairs	Anne J. Mills
Director of Finance/Controller	Brenda M. Guenther

It was then moved by Justus O'Reilly, with C. O. Nauman seconding, that the University Secretary be authorized to approve signature changes on University accounts in accordance with these policies A,B,C. The motion passed. Wayne Duderstadt abstained.

It was further noted that University policy regarding the number of signatures required shall be continued. Two signatures are required for all accounts, except that one signature is required on Petty Cash accounts and one signature is required for electronic transfer of funds between University accounts.

Campus enrollment. George Chaney reported on the enrollment initiative. Just recently a special event was held at Arrowhead Stadium for prospective students and their families. It was very well attended. Special events have also been held in Denver and Colorado Springs, and similar events are scheduled soon for Wichita and Topeka. Faculty are participating in these as well as Admissions staff. Dr. Averyt and Shannon Drodgy, Academic Coordinators, are becoming more effective in helping the recruitment effort. We are now just entering the main part of the recruiting season. Adding women's softball and soccer will have a positive impact. Kevin Eichner has been consulting with Andy Carrier regularly. Kevin commented that Andy is sorting out his personnel. The market support and lead team are not yet implemented. There was time for discussion.

New Phoenix Faculty. Dr. Fred Zook, Phoenix Provost, introduced six new faculty who have joined the faculty since the Executive Committee last met in Phoenix. They are Tom Roche (M.B.A.),

Victoria Gamber (Ph.D.), John Mansour (Ed.D.), Kim Coffman (M.Ed.), William Traugott (Th.D.) and Greg Jones (Ph.D.).

Marvin Wilson announced lunch and invited the new faculty to stay to visit with members of the Executive Committee.

Communications Strategy. At the December meeting the Executive Committee engaged in brainstorming about the University's communications with various constituencies and ways to improve this. Roseanne Becker brought a follow-up to that with specific plans for action and improvement. Recently University Relations held a retreat and included staff from Campus, Kansas City and Phoenix. They determined to focus on specific audiences and the news which is desired by those audiences, as well as the information the University wishes to address to specific audiences.

It has been determined that there will be a publication for each academic unit or program. Tauy Talk will henceforth be targeted on Ottawa Campus alumni and friends. It will no longer be the printed vehicle for communications to all constituencies. Kansas City has the Kansas City Newsletter and Phoenix has Desert Talk. Milwaukee and the International Program do not have their own publications at present.

There is need to present news of the University at large to these various constituencies. To that end, University Relations will commence publication of a special insert to go into Tauy Talk and each of the center newsletters. The purpose of this insert will be to inform constituencies of University plans, events upcoming (rather than those which are past) and to raise awareness of University initiatives, accomplishments, and people. In addition to the newsletters and the inserts, a President's letter to selected alumni and major donors will be initiated. This will permit providing more information to follow up on certain issues and developments which may be only briefly covered in the University wide insert. It will be personalized. Hal Germer commented that it will be brief -- two pages -- and done at least twice a year to start.

Roseanne Becker distributed a chart to identify these new publications, the target audiences and the purposes of the communications. She noted this has primarily to do with printed communications, while it does have implications for organization and staffing in University Relations. She then asked reactions, comments, suggestions and critique.

Justus O'Reilly commented Ottawa can also distribute important news through other vehicles. He mentioned specifically the American Baptist Churches of the Central Region monthly news publication. This gets into homes of American Baptist constituents of the University and it is important to put our

best foot forward in that publication. Kevin Eichner observed the University section will help people feel a part of something larger than the academic location with which they are most immediately associated. Marvin Wilson commented the overall strategy being developed is a very good follow up to the December meeting and this "targeting" is welcome and potentially very effective. He also remarked these various publications can assist fund raising efforts positively.

Development. Roseanne Becker reported. The annual fund as of the end of December is ahead of track based on our historical experience to achieve the annual fund goal of \$850,000 for 1995/96. The development office is seeking one more professional staff in the area of major gifts/corporate and foundations. This search is being pursued actively, with several good potential candidates identified. In addition, Roseanne will be starting a search for a new Alumni Director with the retirement of Stanley DeFries at the end of June.

Hal Germer reported on Martin Hall. Leadership and major gifts from individuals and foundations are being solicited. Hal reemphasized his goal is to have the first \$1 million committed by the April Board meeting. Calls are being made. Names and information on potential donors are being added to the donor management system.

Hal Germer reported on the "Comprehensive Long Range Needs" workshop held Friday, February 2nd at the Phoenix center. Twenty participants were engaged in group activities to focus our long range needs. Some Executive Committee members took part, as did other friends, alumni and potential donors. There is growing convergence and consensus about the total picture. Areas of greatest support included:

1. Faculty quality -- securing and developing academic excellence in the faculty.
2. Library and information access -- enhancing opportunities for access to information, and not only the physical facilities of the campus library.
3. Campus facilities -- as documented in the Campus Master Plan.
4. Expansion -- particularly to Tucson.
5. Scholarships and loans for students.

Planning. Marvin Wilson introduced the topic of planning for 1996 by asking, "What do we want to accomplish this year as an executive committee?" He noted that we have new Chairs of Resources, Campus and Centers. He then invited suggestions about goals for the year.

Jim O'Dell noted the importance of tracking and reporting in the budget process. He commented the new staffing pattern including

a University Controller and the Campus Business Manager should help this.

Anne Mills stated that physical plant maintenance funding, depreciation, and estimating what we really need for that purpose is a priority. This will involve the Business Affairs Committee and the Campus Committee.

Kevin Eichner suggested improvements in meetings of the board. We have probably taken more time on committee work than needed. We ought to have performance updates based on what the administration said would be done. We need time for University-wide discussions and decisions on major actions to be taken or initiatives. We need to have Board initiatives too, with things which come from Board members. Then we need a certain amount of time to handle matters related to governance. We might do all these five things on Fridays, then set aside Saturdays for planning. This would allow cross-group meetings. We should give opportunity for task force work. We also need to attend to recruitment and selection of trustees, including what we are looking for in trustees and how we recruit them. We ought to have executive staff evaluate committee outcomes.

Justus O'Reilly suggested we ought to have job descriptions for committees. Kevin Eichner added we might have trustee contracts.

C. O. Nauman noted the importance of good trustee orientation and clarity about expectations for trustees.

Mercile Lee suggested the desirability of creating opportunities for faculty to meet with trustees. She also affirmed the participation by trustees on assessment teams. Wayne Duderstadt served on the Business assessment team, and Nancy Paulger served on the Liberal Arts assessment team.

Anne Mills suggested we ought to state outcomes for committees. We should engage committees in thinking about this. How does a committee know when they've done a good job? Anne also suggested it is a good idea to engage members across committee assignments.

Kevin Eichner commented it is desirable to have new, different and more settings where board members can come together around common themes. That is a better use of Board time. He also supported the concept of outcomes for the board, committee and individual levels.

Stan Bettin noted the importance of Board members having personal contact with OU people.

Provost Search. Hal Germer reported on the search for a new Campus Provost. A position announcement has been written. Ads have been placed in appropriate places. Many letters have been

written to individuals who may either be the source of referrals or may be candidates themselves. As one example, Hal has written a personal letter to each ABC college or university president and enclosed the position announcement. A selection advisory committee has been appointed, and all members have agreed to serve. The committee includes Richard Andrews (faculty), Ransom Bennett (trustee), Kevin Eichner (trustee), Corkie Hedlund (faculty), Anne Mills (President's Council), Lori Peek (student), Paul Rittorf (staff), and Marvin Wilson (trustee). A list of "skills and abilities" sought in the new Provost has been developed. Copies were distributed. Hal described a two step interview process with on campus interviews for three or four, and then a final assessment center led by Kevin Eichner.

Announcements. Hal Germer reported that the matter initiated by FDIC in response to the copier litigation has now been settled.

George Chaney reported the Department of Education has conducted a financial aid review on campus for the years 1993/94 and 1994/95, and will also visit Phoenix.

Jim Billick reported the U.S. Department of Labor has conducted a review of personnel policies in Kansas City, with particular attention to non-exempt overtime.

Anne Mills reported a new personnel policies manual has been completely drafted and revised. It will be reviewed with the Faculty Benefits Advisory Committee and with legal counsel before its final release.

Hal Germer announced the commencement speaker for May, 1996, will be Mrs. G. Elaine Smith of Washington, D.C. She is currently the President of American Baptist Churches, U.S.A. and is an attorney in Washington. The baccalaureate speaker will be The Rev. Larry Mason, recently of the ABC Central Region staff and soon to become Executive Minister in Indiana.

Fred Zook announced arrangements for dinner Saturday evening. He also informed the Executive Committee of guests who have been invited to join them for dinner -- Mr. and Mrs. Marc McCoy of KTAR radio, Mr. and Mrs. Bob Joy (campus graduates who live in Carefree), Mr. & Mrs. Earl Hays ("Sonny" Hays is a graduate of OU Phoenix and a member of the national alumni board), and Mr. & Mrs. Ken Braun of Tempe (Ken Braun is an OU Phoenix graduate).

Flat Tax. Justus O'Reilly raised the concern that current proposals regarding a "flat tax" may have very serious impact on charitable giving, and in particular affect financial support to colleges and universities. There was some discussion of the issue. Roseanne Becker distributed a hand out on "reasons people give" based on donor surveys and also a chart showing the number of Ottawa donors at various levels of giving over the past five

years. It was agreed this should be a topic for the Resources committee in April and that different scenarios of how giving might be affected could be developed.

The Executive Committee went into executive session. The meeting was adjourned shortly after 4:30 p.m.

Charlene Lister,  
Secretary of the Board