

EXECUTIVE COMMITTEE MINUTES  
Monday, July 20, 1992

Trustees Present: Eldon Addy, Carol Allen, Ransom Bennett, Roy Browning, Jr., Harold Germer, Charlene Lister, Justus O'Reilly, Ramon Schmidt, and Marvin Wilson.

Administrators Present: Marsha Denniston, Anne Mills, Jim Smith and Fred Zook.

Acting Chair Marvin Wilson called the meeting to order at 10:05 a.m. Justus O'Reilly gave the opening prayer.

BUDGET REPORTS: Mills passed out preliminary budget reports for the end of the 1991-92 fiscal year. The University surplus was projected at \$305,000, with a campus deficit of \$1,213,000 after allocations. There was a campus revenue short fall of \$162,000 while unrestricted giving was \$708,000 this year; \$192,000 short of budget. Denniston reported a computer difficulty with the TEAMS program that has been corrected. This caused an error in prior reporting of campus expenditures. These expenditures exceeded budget by \$181,000. The campus spent \$69,000 more than budget on scholarships this year, \$31,000 over budget on long distance phone service.

The centers have been encouraged to make investments in operations to support their increased volume. Approximately \$.20 on the dollar of Center revenue is budgeted for University wide use. The preliminary budget is set for 1992/93. Cash flow projections show about \$400,000 will be needed by December, 1992, as compared with \$600,000 last year at the same time. 53% of campus expenses occur during the first six months of the fiscal year, when only 49% of campus revenues are collected. An attempt will be made to hold down this critical ratio, to control the expenses during the first part of the year, and to speed up collections. A new person has been added in the Business Office to help in collections.

OPERATIONS COMMITTEE REPORT: Minutes of the June 24 Operations Subcommittee meeting were distributed. Four fund transfers were approved at that time.

|                                    |          |
|------------------------------------|----------|
| Tucson Center                      | \$50,000 |
| Administrative Systems Enhancement | \$31,000 |
| Refurbish Rockwood Drive Home      | \$12,000 |
| Establish University-wide Offices  | \$20,000 |

The Tucson center will not require immediate cash but additional expenses will be incurred when the center opens. The Systems enhancement is for Milwaukee Teams software development.

Support was also requested for the administration plan for faculty salary increases along with the budget for 1992/93. Contracts were sent to faculty members after July 1.



Carol Allen moved with Roy Browning seconding that the report of the Operations Subcommittee in total be approved. The motion passed.

The final budget for 1992/93 will be presented to the Board for adoption at the October meeting. The Executive Committee will receive minutes from the Operations Subcommittee on a regular basis. The functions of this committee, as outlined in the By-Laws are to "monitor University operations and budget". They provide advice and counsel to the administration and undertake projects as assigned by the Executive Committee. The Board selects the Operations Subcommittee yearly but the By-Laws are silent on who is the Chair of that subcommittee.

WARD RENOVATION: The pledges for Ward are spread over five years but the construction costs will be incurred in one year. The first year ends in August with an expectation that \$1,821,000 in cash will have been collected. National norms are that there can be a 15% shrinkage on pledges made. OU is doing better than the average. Mills suggested borrowing \$300,000 to offset the anticipated delayed income. Several options were considered: the KICA bond fund, a commercial equipment lease/purchase agreement, or since we are a 501 (C)3 organization, a pass through municipal lease is available. Municipal lease financing would be for four years backed by tax exempt bonds with a high rating and involve an attorney fee of about \$1,000.00. The KICA bond fund has longer terms than desired, and the lease/purchase option would be about 1-1/2% higher interest than the tax exempt rate. The municipal bonds were preferred. A question of prepayment options was raised, and that will be looked into.

Justus O'Reilly moved with Ramon Schmidt seconding that \$300,000 be borrowed for Ward Construction costs subject to approval of specifics by the Operations Subcommittee. The motion passed.

PLANNING: Germer reported his number one immediate priority was to get his Presidential Council team in place. Germer passed out the press release announcing Ilene Risley as the new Milwaukee Provost. She has been with Alaska Pacific University, and happens to be a Kansas native and a graduate of Emporia State University. The new campus Provost is Stephen Markwood of Marietta, Ohio. Germer discussed the method of selection for both Provosts, which involved faculty, staff, students, trustees, and administrators. The President's Council consists of four Provosts, the two Vice-Presidents, the Dean of the College, and the President.

Germer's second concern is with communication style. He is concerned with involvement and participation. Written communications will be sent to the Board on a regular timely basis to update on current situations.



The third concern is working with the Development Office to cultivate individuals who can be of help to Ottawa University. That process has already begun with several calls already made.

The fourth concern is Milwaukee. The key is the Provost who is already in place. Sal Flores, board member in the Milwaukee area, met Ilene Risley on her last trip to Milwaukee. Billick and Zook will spend time with Risley. An administrative assistant has been hired from the Kansas City Center staff.

The fifth concern is planning, which is crucial to the success of the University. There is a five year plan which needs to be updated. An Ad Hoc Task Force in 1991 focused attention on direction and new tasks of the University. All this must be brought together.

A new athletic director, Andy Carrier, has been hired for campus, and also a new track coach from Hutchinson Jr. College, Mike Ford, has been hired.

DONOR CULTIVATION: Smith reported on a plan to develop a group of 200 people to cultivate, 130 have been identified to date. Ward Science Hall and Milwaukee have been the current focus. Howard Brahren will be doing some consulting work and helping to set strategies.

Mills pointed out plans to update strategic planning; these plans will be the basis for a next capital campaign. The August President's Council will examine trends and assumptions, and articulate a University vision, all based on the University Mission Statement. The Executive Committee will review this in September and then refer to each academic unit for further development. The units will complete their studies by January and bring results to the Executive Committee in February. At that point we will set targets and project a campaign to be reviewed by the Board in April.

Bennett asked about the outlook for giving. No July gifts were credited back to June, as was done in the past. The national tendency is toward restricted giving. The goal is for \$950,000 in unrestricted giving for 1992/93. We plan specific appeals to help the Annual Fund.

Following lunch, Jim Smith continued with discussion of individuals who might be solicited to advance the cause of Ottawa University. A team approach is planned. The group brainstormed names of individuals to cultivate, solicit and enlist.



COMPENSATION POLICY: Germer circulated a written policy on compensation. There are three compensation elements which can be used. The first is a cost of living increase. The second is a merit increase. The third is a bonus. The differences between merit and bonus is that merit adds to the salary base and a bonus does not. A bonus is a way to compensate an individual or a unit for exceptional performance and is an incentive for productivity. Staff members are also included in this process. Compensation recommendations are made by supervisors.

Position descriptions are being done for each position so that every employee can see a position description of his/her job. There was considerable discussion on the need for the evaluators to be trained and competent, even when position descriptions are clear.

A motion was made by Justus O'Reilly seconded by Roy Browning to affirm and endorse this compensation policy and express appreciation to the administration for the work they've done. Motion carried.

BY-LAWS CHANGE: Mills handed out a list identifying proposed changes to the By-Laws and one change to the Constitution. These proposals were developed by Mills, Randy Gauger, Nita Myers and Roy Browning. The Constitution section on appointment of visitors to the Board will be moved to the By-Laws, and would add wording requiring visitors to report back to their groups. By-Laws changes include separating the Secretary-Treasurer into two positions, and limiting each office to ten (10) years. The committee organizations would be changed according to the attached chart. The Chair of the University Program Council will staff the Academic Committee. The campus provost staffs the Campus Committee. The Executive Committee includes Board Officers, Chairs of Standing Committees and the Operations Subcommittee. The Operations Subcommittee and the Management Review Subcommittee would both broaden their responsibilities. The Committee on Trustees will include past board chairs.

RESOLUTION FOR BANK ACCOUNTS: Marsha passed out resolutions to change signatures on the bank accounts due to the appointment of a new President.

Motion was made by Charlene Lister to approve resolutions to change signatures on the University bank accounts, second by Eldon Addy. Motion carried.

A motion was made by Eldon Addy to sign a resolution for an account with Prudential Bache, second by Carol Allen. Motion carried.

A motion was made by Ramon Schmidt to sign a resolution for First National, Peoples, and Kansas State Bank accounts, second by Carol Allen. Motion carried.



CALIFORNIA LICENSE APPLICATION: Fred Zook collected signatures of Executive Committee members for the renewal application to operate classes in California.

KICA BOND COLLATERAL: Denniston handed out information on refinancing three accounts:

|                          |   |           |
|--------------------------|---|-----------|
| SWB Telecom Switch Lease | - | \$285,742 |
| Franklin Savings Note    | - | \$255,988 |
| Boatmen's Note           | - | \$524,250 |

The southeast corner of the campus can be pledged as security.

Ramon Schmidt moved with Justus O'Reilly seconding that the Administration be authorized to pledge the property east and south of 11th and Mulberry for KICA bond collateral to refinance 3 notes, and to negotiate other property as necessary with approval of the Operations Subcommittee. Motion passed.

The Board of Trustees must be polled by mail for final approval of such a pledge.

LEAVE OF ABSENCE:

Ramon Schmidt moved that the Ottawa University Board of Trustees agrees to grant Anne Mills a leave of absence without interruption of service effective July 1, 1992, and continuing for a period agreed upon by Anne Mills, the Chair of the Board, and the President. Second by Eldon Addy. Motion carried.

DEPARTMENT OF EDUCATION - HANDICAP ACCESSIBILITY: Denniston explained that a 1987 accessibility plan was partially completed but the Department of Education was not notified of changes in the plan. During June, 1992 the campus was found to be out of compliance. The changes to plan have now been submitted. There will be some expenditure to comply. "Handicapped" has been replaced by "disabled".

OCTOBER BOARD MEETING: Germer noted that the board meeting this fall will be Friday, October 23 and Saturday, October 24. The Executive Committee will meet at 6:00 p.m. for dinner on Thursday, October 22. Activities include:

|                      |   |                                   |
|----------------------|---|-----------------------------------|
| Friday, October 23   | - | Board Meeting                     |
| Saturday, October 24 |   |                                   |
| 12:00 Noon           | - | Inaugural Luncheon                |
| 1:30 pm              | - | Ward Science Hall Dedication      |
| 2:30 pm              | - | Inauguration, reception to follow |
| 6:30 pm              | - | Beta Society Dinner               |

A planning committee has been appointed for the Inauguration.

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GOLF TOURNAMENT: Germer noted Jim O'Dell has scheduled a Golf Tournament in Denver on September 28th.

EXECUTIVE SESSION: There was further discussion of the Compensation Policy and projected fall enrollments.

Meeting was adjourned at 3:30 p.m.

Submitted by  
Charlene Lister, Secretary



COMPENSATION POLICY

## INTRODUCTION

Ottawa University is committed to providing the highest quality education for the development of individual students. The people responsible for fulfilling this mission are the University's faculty and staff. Therefore, the compensation policy must recognize the importance of their work. It must also be able to distinguish between academic unit performance as well as individual contributions to the University's mission.

## OBJECTIVES

Compensation may take many forms including salary, bonuses, retirement and medical benefits, tuition remission and leave of absence/sabbaticals. It is the intent of Ottawa University that it's compensation be comparable to like educational institutions. This comparison for the University as a whole and by each academic unit will be evaluated annually by the President and reported to the Board of Trustees. The President shall base the comparison upon regional and national information and recommend a plan for the next three academic years.

Using position classifications, a compensation plan will be maintained for each academic unit. These plans will vary because of differences in cost of living, teaching calendars, advising/teaching workloads, leadership responsibilities and competitiveness.

## IMPLEMENTATION

Employees will be paid according to their position classification and how well they perform their responsibilities and duties. Top performing employees can expect to be paid a higher salary over a period of time than lower performers within their position classification.

Each employee will know their current position classification and their annual compensation. Annually each employee's performance will be evaluated by their supervisor using the criteria within the appropriate position description and consideration given to merit and/or promotional increases. Merit increases will be given when the employee has demonstrated his/her ability to sustain performance at the higher level. General increases may be given when compensation plans change significantly but this will not be automatic each year.

When an academic unit has had exceptional performance, that unit will have the option to give bonuses to those individuals who have made significant contributions to the unit's performance. Bonuses will not be included in the employee's base salary. University-wide functions will be considered a unit for bonus purposes.



PROPOSED CONSTITUTION CHANGES  
OTTAWA UNIVERSITY BOARD OF TRUSTEES

CONSTITUTION

Visitors to the Board

Move section to By-Laws.  
Add responsibility to report back to those represented.  
Generalize to include all Centers.  
Standardize on two visitors per unit including at least one faculty member.  
Continue to have two Campus students.  
Delete specifics on selection process.

BY-LAWS

Secretary-Treasurer

Separate into two positions.  
Treasurer responsible for monitoring investments, accounting and control functions and financial obligations.  
Also Chair the Investment Committee.  
Limit both Secretary and Treasurer to 10 consecutive terms (10 years).

Committee Organization

See attached chart.

Executive Committee

Increase to include Officers (4), Chairs of Standing Committees (6), and Operations Subcommittee (3).

Operations Subcommittee

Broaden current responsibilities of "monitor university operations and the budget" to include other matters assigned to it by the Executive Committee.  
Minutes of meetings to be ratified at the next Executive Committee meeting.

Management Review  
Subcommittee

Add responsibility to annually summarize activities to the Executive Committee.

Committee on Trustees

Concern about Board officers controlling the committee that nominates them.  
Specify membership to include two most recent former Chairs of the Board of Trustees (one of whom is Committee Chair) and the current Vice-Chair.  
Two other non-officers of the Board to be elected by the Board of Trustees.  
Current Chair is ex-officio as with all Committees.

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PROPOSED COMMITTEE ORGANIZATION  
OTTAWA UNIVERSITY BOARD OF TRUSTEES

CURRENT COMMITTEES  
AND STAFF OFFICERS

Executive Committee  
(not designated)

Committee on Trustees  
President

Academic Affairs Committee  
Chief Academic Officer

Student Affairs Committee  
Chief Admissions Officer  
Chief Student Affairs Officer

Centers Committee  
Chief Officers of the Centers

Business Affairs Committee  
Chief Business Officer

University Resources Committee  
Chief University Development  
Officer

RECOMMENDED COMMITTEES  
AND STAFF OFFICERS

Executive Committee  
PRESIDENT

Committee on Trustees  
President

Academic Affairs Committee  
CHAIR, UNIVERSITY PROGRAM  
COUNCIL

CAMPUS COMMITTEE  
PROVOST, OTTAWA CAMPUS

Centers Committee  
PROVOSTS, CENTERS

Business Affairs Committee  
VP FOR BUSINESS AFFAIRS

University Resources Committee  
VP FOR UNIVERSITY  
RESOURCES

NOTE: Changes to the current By-Laws are shown in CAPITAL LETTERS.

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